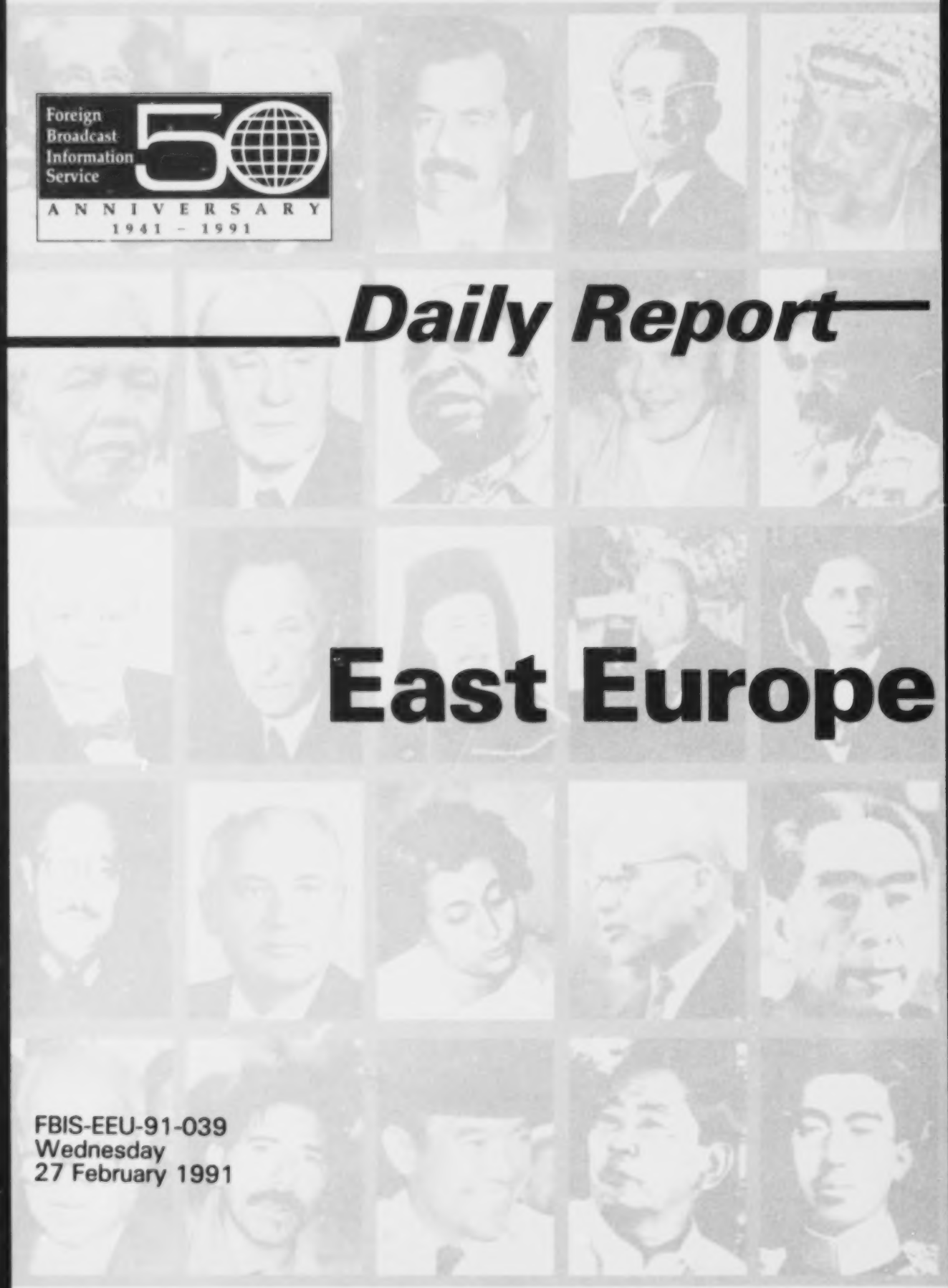

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Delegations Attend Budapest Warsaw Pact Meeting

Defense, Foreign Ministers Begin Meeting

LD2502082991 Budapest Domestic Service in Hungarian 0800 GMT 25 Feb 91

[Text] In Budapest the consultation of the Warsaw Pact foreign and defense ministers is beginning at this moment. The document on the cessation of the Warsaw Pact's military organization will be signed at approximately midday by those concerned. The delegations will be received by Jozsef Antall at 1430 and by Arpad Goncz at 1530.

Hungary's Jeszenszky Addresses Meeting

LD2502143891 Budapest MTI in English 1237 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—An extraordinary session of the Warsaw Treaty Political Consultative Committee opened in Budapest's Hotel Intercontinental on Monday. Foreign and defence ministers of the member states gathered in Budapest to officially declare the dismantling of the military organization of the Warsaw Treaty.

The Hungarian delegation is headed by foreign minister Geza Jeszenszky and Minister of Defence Lajos Fur. The heads of the Bulgarian delegation are Deputy Prime Minister and Foreign Minister Viktor Vulkov and Minister of Defence Yordan Mutafchiev The Czechoslovak delegation is led by Deputy Prime Minister and Foreign Minister Jiri Dienstbier and Minister of Defence Lubos Dobrovsky. The delegation of Poland is headed by Foreign Minister Krzysztof Skubiszewski and Minister of Defence Piotr Kolodziejczyk. Leaders of the Romanian delegation are Foreign Minister Adrian Nastase and Minister of Defence Victor Stanculescu. Finally, the delegation of the Soviet Union is headed by Foreign Minister Aleksandr Bessmertnykh and Minister of Defence General Dmitriy Yazov.

The session is attended by leaders of the Joint Command of the Armed Forces of the Warsaw Treaty.

Journalists from all over the world were informed of the developments of the session by the Hungarian delegation's expert, Istvan Kormendi, in the International Press Centre.

A constructive discussion, free from any kind of tension, is being conducted between delegates of the member states, Kormendi informed journalists. All the participants agree that changes of historical significance are underway, including decisions concerning the Warsaw Treaty, and no one wants to obstruct this process. It is, however, only natural that each foreign minister addressing participants should approach the issues from the point of view of his own country, bearing in mind his country's interests.

The first to address the session was General Piotr Lushev, on behalf of the Joint Command of the Warsaw Treaty Armed Forces. He expressed his full support for and agreement with the documents to be signed at the session.

These documents will officially declare the full dismantling of the military organisation of the Warsaw Treaty and the termination of its military activities by March 31. The main document will also list all the secret multilateral agreements to be terminated by this date.

In compliance with a Soviet request, participants of the session have decided not to publish the document. Its contents, however, can freely be publicized by the delegations. The text of the document will be accessible to researchers and members of differing parliaments.

Journalists have raised questions of further measures concerning the future of the Warsaw Treaty. Kormendi said participants had agreed to hold the next regular session of the Warsaw Treaty political consultative committee in Prague, as agreed earlier, at the beginning of July. No decision has yet been made on the level of the conference. The agenda is to be determined by a co-ordinating committee.

The future of the political organization of the Warsaw Treaty will not be discussed at the current session, Kormendi said.

On behalf of the Hungarian delegation, Foreign Minister Geza Jeszenszky addressed the session. He expressed his opinion that European processes were pointing towards the demise of relations within the Warsaw Treaty and this was recognized by all the member states. A stage of this process is the current session, which is to make decisions on the dismantling of the military structures of the Warsaw Treaty.

As regards the future of the still existing organizations of the treaty, Jeszenszky said the last stage had to be reached by the end of 1991 or by the follow-up meeting of the Conference on European Security and Co-operation in spring in spring 1992 at the latest.

Jeszenszky then analysed in detail the processes of European integration, stressing that in Hungary's opinion, the integration of the continent will neither be completed at once nor at a single level.

In the process of integration, an important part will be played by organizations of regional co-operation, based on geographical proximity, equal rights and mutual economic interests. Jeszenszky spoke about the positive role played by the Pentagonale, with special regard to the nascent trilateral co-operation of Czechoslovakia, Poland and Hungary.

As regards the situation in the East-Central European region, many think that it is a potential source of European instability. Among problems causing tension, those usually cited are the difficulties of the switch to a

market economy, nationality and minority problems, and the dangers of mass emigration.

Speaking about these anxieties, Jeszenszky analysed the domestic situation in the Soviet Union and its effect on the continent. He expressed his hope that the Soviet Union would always choose dialogue above violence, respecting its international obligations and striving for co-operation with other nations.

Hungary was motivated by this desire when it started talks with the Soviet Union on working out an agreement to place relations on a new footing.

Hungary is preparing to renew its inter-state relations with other partners in a similar spirit as well, seeking to replace earlier friendship treaties of a declarative nature with agreements based on democratic values, free market principles and European tenets of inter-state relations.

Hungary is also striving to establish partnership relations in its endeavours to create military security, by respecting the rights of all states to choose their own security measures, i.e. therefore also the right to decide which alliance system to belong to or to declare neutrality.

Skubizewski Meets Bessmertnykh

LD2502121791 Warsaw Domestic Service in Polish 1105 GMT 25 Feb 91

[Excerpts] This is Leslaw Nowak speaking from Budapest. Ministers of Foreign affairs defense of the six Warsaw Pact member states—Bulgaria, Czechoslovakia, Poland, Romania, Hungary, and the Soviet Union—met here this morning at an extraordinary meeting of the Political Advisory Committee of the Warsaw Pact. [passage omitted]

Speaking at the meeting today, Foreign Minister Krzysztof Skubiszewski emphasized that all the members states have a constructive approach to the idea of the dissolution of the military structures of the Pact. When the Pact was drawn up, the situation was totally different from the present one, he said. On the continent today, we have moved from the confrontation of military and political blocs to cooperation and the construction of mutual security, the minister stated.

This morning Krzysztof Skubiszewski, the head of Polish diplomacy, spoke to USSR Foreign Minister Aleksandr Bessmertnykh for 30 minutes. They discussed the new relations between Poland and the Soviet Union, the withdrawal of armies, and the conflict in the Persian Gulf.

'Abolition' of Military Organization

LD2502120591 Budapest Domestic Service in Hungarian 1100 GMT 25 Feb 91

[Istvan Kulcsar report from Budapest]

[Text] The Warsaw Pact Political Consultative Committee [PCC] sessions thus far have been customarily held at the level of party general secretaries and prime ministers. The party secretary as a power factor has gone out of fashion, and in these minutes the military organization itself will also become a thing of the past. In the Duna Intercontinental Ballroom, as I said at the start of this program, the PCC session at the foreign and defense minister's level ended a short while ago. It was decided that all the bodies of the Warsaw Pact political organization, including the chief command of the united forces and the joint air defense system, will be dissolved effective 1 April.

In the hall decorated with the flags of the member states the delegations' members—namely, the foreign and the defense ministers—are in succession signing documents. This is happening in Cyrillic alphabetical order, according to the order of the Russian names of the countries. In other words, the Bulgarians started signing, then the Hungarian ministers, followed by the Poles, and so on. These documents, at least according to my information, will not be handed over to the press in their full text for publication later on, just as they will not publish the former secret documents of the military organization.

The essential thing however is the total abolition of the military organization which, with the signing of the appropriate document of international legal force, is in these minutes becoming an irreversible fact. We will be able to learn details at the press conference this afternoon. Prior to the news conference the statesmen taking part in the PCC session will be received by Prime Minister Jozsef Antall and then by President Arpad Goncz.

Supreme Commander on Disbandment

AU2502121091 Vienna VOLKSSTIMME in German 25 Feb 91 p 2

[Interview with Army General Petr Lushev, Warsaw Pact supreme commander, by unidentified NOVOSTI correspondent; place and date not given: "Security Through Disbandment"]

[Text] [NOVOSTI] Does the disbandment of the Warsaw Pact mean that the security of the USSR and the other member states will be weakened and that European security will be generally affected?

[Lushev] To begin with, let me say a few words on the history of the Pact. Let me remind you that the Warsaw Pact and its military structures were created in 1955 as a necessary countermeasure after NATO had been founded and, at that time, had already existed for six years. As a result of coordinated efforts by the Warsaw Pact countries, military-strategic parity was achieved between NATO and the Warsaw Pact.

There have been no wars in Europe for 45 years. That is the first such long period of peace in the history of the continent, and we hope for its historic continuity.

The new way of political thinking has resulted in a new approach to shaping relations between the states and blocs. The Warsaw Pact countries were the initiators of detente and real disarmament. They adopted a military doctrine that has a solely defensive orientation.

As a result of the Warsaw Pact's activities, the development of the pan-European process, and the reduction of troops and armaments, objective conditions developed in Europe leading to a basic change in the character of the Warsaw Pact and NATO. The way was paved for a consistent change of military alliances into political ones, and it will be possible in the future to create a nonaligned model of pan-European security.

Regarding the USSR's security under the new conditions, we believe that the Soviet Union's military policy, which advocates a reasonably sufficient defense potential with the maximum use of scientific-technological progress, will guarantee its reliable defense capacity. The changed situation in Europe and the reduction of military confrontation are also important factors.

Largely as a result of help given by the USSR, the other Warsaw Pact states have modern armies now that are capable of defending their interests. Good- neighborly relations and mutually beneficial cooperation on a bilateral basis in all areas have developed between our countries. If there is mutual interest in this respect, such cooperation in the military area will also be possible after 1 April.

Tendency Toward Revising the NATO Strategy

In our view, the elimination of the Warsaw Pact military structures will not only not damage European security, it will even strengthen confidence and political and military stability on the continent.

[NOVOSTI] Do you think that NATO will take countersteps in connection with the disbandment of the Warsaw Pact military organization?

[Lushev] There is a tendency towards revising the NATO strategy. NATO representatives advocate the further reduction of military confrontation and the adjustment of NATO to the new conditions. They are ready to build a new Europe; however, their position is based on maintaining a strong NATO bloc. At the NATO Council meeting in London in July 1990, it was decided to study problems related to changing the strategy of that bloc and the structure of its armed forces. NATO then stated in Brussels that the new strategic concept would be adopted in the spring of 1991.

Hope for Countersteps

We see that the NATO leadership is not in a hurry to restructure the alliance now. In our view, the pan-European home does not need to have any military blocs. We hope that once the military organization of the Warsaw Pact is disbanded, NATO will take countersteps.

[NOVOSTI] In what way can the restructuring of the Warsaw Pact influence the fate of the non-aggression statement signed by the Warsaw Pact and NATO in Paris in November last year?

[Lushev] The statement was not adopted by the alliances but by 22 states; therefore, it is called the "Joint Statement of 22 States."

It envisions the renunciation of the use or threat of force against each country's territorial integrity or political independence, and the use of a country's armed forces solely for its own defense, while the security of each signatory state is connected with the security of all CSCE signatory states. Briefly, we can rightly say that this is a long-term document.

Meeting To Dissolve Political Part Proposed

LD2502130791 Prague Domestic Service in Czech 1200 GMT 25 Feb 91

[Text] An extraordinary meeting of the Warsaw Pact Political Consultative Committee ended in Budapest today with a signing of the protocol on ending the validity of the Warsaw Pact agreements and on the dissolution of its military organization and structures on 31 March 1991.

At the morning session Czechoslovak Foreign Minister Jiri Dienstbier proposed that another session of the Political Consultative Committee take place in Prague at the beginning of July to adopt a protocol on the dissolution of the Pact's political functions. Such a protocol should be ratified by the parliaments of the member-states, and the Warsaw Pact would then cease to exist.

Skubiszewski Stresses Dissolution Without Polemics

LD2502134191 Warsaw Domestic Service in Polish 1200 GMT 25 Feb 91

[Text] [Foreign] Minister Krzysztof Skubiszewski spoke in Budapest during the Warsaw Pact Political Advisory Committee extraordinary session. He said that the treaty should be dissolved without any polemics and mutual accusations. The head of Polish diplomacy emphasized the significance of the Paris Declaration last year in which the Warsaw Pact and NATO stated they were no longer adversaries. Poland confirms its readiness to cooperate with the treaty states to dissolve it this year, Minister Skubiszewski said. We want to replace our alliance with bilateral treaties of cooperation and good neighborliness.

Antall, Goncz Receive Warsaw Pact Delegations

LD2502181891 Budapest MTI in English 1749 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—Following the signing of the document dismantling the military organization of the Warsaw Pact, the foreign and defence ministers of the six member states were received by Hungarian Prime Minister Jozsef Antall, then by President Arpad Goncz, on Monday in Budapest.

The Hungarian prime minister termed the agreement to be one of historical importance, and specially stressed the significance of the fact that President Gorbachev personally made the proposal for the soonest possible dismantling of the military organization. Antall recalled that certain states had extremely negative views regarding the Warsaw Pact during the 35 years of its existence. However, Antall added that the past cannot be an obstacle in the way of future cooperation between the member states.

Stressing the mutual interests and the, in many respects, interdependency of the Central-Eastern European countries, the prime minister said the Hungarian Government is aware that it cannot pursue a policy that disregards the country's location. He also added the countries of the region face many tasks which they can only solve together. Therefore, the prime minister attached major importance both to bilateral relations and to utilizing the possibilities inherent in European integration.

Participants were then received by President Arpad Goncz. The Hungarian president voiced his opinion that the now signed document can serve as the basis of a common European security system.

Goncz said he fully agrees with the terms of the agreement, and hopes that experiences accumulated in bilateral relations over the past decades will be profitable also in the future. Similarly to the prime minister, the president also stressed the importance of regional cooperation between the countries concerned. He stressed the states of the region are related not only with respect to their historical development, but they are bonded through many common interests today, too.

Antall Meets With USSR's Bessmertnykh, Yazov

LD2502204391 Budapest MTI in English 1915 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—Hungarian Prime Minister Jozsef Antall held a 90-minute meeting with Soviet Foreign Minister Aleksandr Bessmertnykh, and Soviet Minister of Defence Dmitriy Yazov, the leaders of the Soviet delegation attending the special Budapest session of the Warsaw Treaty's Political Consultative Committee. The meeting took place in parliament building.

Also present at the meeting were Yuliy Kvitzinskiy, Soviet deputy foreign minister, and Ivan Aboimov, the Soviet ambassador to Hungary.

The sides reviewed major issues of Hungarian-Soviet relations, and place particularly great emphasis on improving economic cooperation based on reciprocal interests. The economies of the two countries are connected by the neighbourly location of the two countries, and the economic interdependency that follows from the similar structures that came about in the past decades.

The Soviet side also stressed the interest to expand relations by seeking the most advantageous forms. Regional cooperation is also necessary alongside bilateral relations.

The novel-type bilateral agreement to be shortly signed between the two countries, which will be of a precedent value, will be determining from the point of view of placing bilateral cooperation on new bases. Preparations for the agreement are well in progress.

Besides bilateral relations, the sides also exchanged views on the Gulf war, and the possibilities of a Middle East settlement.

Agreement Signed; Delegations Express Views

Statement Issued on Pact Dissolution

LD2502174191 Budapest MTI in English 1701 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—The countries of Europe are being freed from the legacy of the past, the age of confrontation and the dividness of the continent. The Paris Charter professed the new age of democracy, peace and unity in Europe. The participating states of the pan-European process are establishing friendly relations by respecting the ten principles of the Helsinki Final Act, and on the basis of common commitment for law-governed statehood and human rights.

The 22 states that signed the Treaty on Conventional Armed forces in Europe declared, in a joint statement, they would no longer consider each other as enemies, and would build new partnership and cooperation relations. It was reconfirmed that all states have the right to participate, or not participate, in an alliance. The elimination of Europe's dividedness offers a historical possibility to attain a new quality in security relations, fully respecting the freedom of choice of the states.

With respect to the profound changes taking place in Europe, and implementing the resolution of the political consultative committee's session in Moscow on June 7, 1990, the member states of the Warsaw Treaty have decided, acting as sovereign and equal states, to dismantle the military organs and structures of the treaty by March 31, 1991.

Participants of the session stated the decision is destined to contribute to the further reduction of military potentials in Europe, and the switch to Pan-European structures from security structures that rely on blocs, in the spirit of agreements reached at the Paris summit of the Conference on Security and Cooperation in Europe. They took a stand to ensure consistent progress towards the aims set at the Paris meeting, with common efforts.

In the new situation, the states represented at the session will consistently shift the development of their relations onto bilateral bases. This accords both to mutual interestedness in constructive and friendly relations, and to the new European realities.

Participants of the session stressed that the full implementation of the treaty on conventional armed forces in Europe, and the Vienna document on confidence-building measures, are particularly important conditions for intensifying the stability and security of the continent, and the furtherance of the Helsinki process.

CSFR Defense Minister Comments

LD2502192491 Prague Domestic Service in Czech 1730 GMT 25 Feb 91

[Text] An extraordinary session of the Political Consultative Committee of the Warsaw Pact at the foreign affairs and defense minister level was held in Budapest today. Our correspondent Tomas Borec reports:

[Borec, in Slovak] The most important result of this summit of the six member countries of the Warsaw Pact is that the ministers of foreign affairs and defense, in the presence of representatives of the joint command of the Warsaw Pact Armed Forces, unanimously adopted and signed a protocol on the end of the validity of the military agreements concluded in the framework of the Warsaw Pact and on the abolishment of military bodies and structures of the Warsaw Pact by 31 March 1991. The ministers also agreed that despite the fact that the protocol contained facts still important from the point of view of the military security of some member countries, its text would not be published. Instead, they issued a statement by the Warsaw Pact member countries. It says, among other things, that European countries are freeing themselves from the legacy of the past connected with the era of confrontation and division of the continent. Twenty-two states who signed the agreement on conventional armed forces in Europe announced that they were not enemies anymore and would build new relations of partnership and cooperation. The decision to abolish the military structures of the Warsaw Pact by 31 March 1991 should help achieve a further reduction in military potentials in Europe, and a transfer from bloc-based to all-European security structures. As far as the future of the Warsaw Pact is concerned—its political structures still remain in operation—Czechoslovak Minister of Foreign Affairs Jiri Dienstbier in his speech at the Budapest session stated that the Warsaw Pact had lost the main purpose for its existence and proposed to start joint work on dismantling it. Czechoslovak Defense Minister Lubos Dobrovsky had this to say:

[Begin Dobrovsky recording] Our view is that it is not necessary to take any standpoint on the evaluation of the past decades of the existence of the Warsaw Pact. On the contrary, it is important to consider the fact that by signing this protocol a good chance has been created for ending the activity of the Warsaw Pact as a whole. It gives a chance for the absolutely free creation of bilateral relations of all countries. By 1 July at the latest, the Political Consultative Committee of the Warsaw Pact should meet to tackle the issue of the future concept of the Warsaw Pact. If this happens, and I think it will, then by the end of the year the parliaments of the member countries should ratify the abolition of the validity of the agreement on the founding of the Warsaw Pact. [end recording]

[Borec, in Slovak] At today's session in Budapest the ministers decided that the earliest session of the Political Consultative Committee of the Warsaw Pact would take place in Prague.

Polish Foreign Minister Remarks

LD2502193691 Warsaw TVP Television Network in Polish 1830 GMT 25 Feb 91

[Report on statements by Foreign Minister Krzysztof Skubiszewski in Budapest; date not given]

[Text] [Unidentified reporter] [Word indistinct] delegations of the six member states of the Pact—Bulgaria, Czechoslovakia, Poland, Hungary, and the Soviet Union [as heard]—led by foreign ministers and ministers of national defense, as well as by commanders of the Pact's armed forces. Final documents on the rescinding of agreements and dissolution of the Warsaw Pact's military structures were signed for Poland by Foreign Minister Krzysztof Skubiszewski and Rear Admiral Piotr Kolodziejczyk, minister of national defense. Signing the documents for the Soviet Union were Aleksandr Bessmertnykh and Marshal Dmitriy Yazov.

[Begin Skubiszewski recording] The meeting was very important because we signed a protocol and other documents which, from 31 March, bring an end to the military structures of the Warsaw Pact. In practice, this is the beginning of the end of the Pact itself. Admittedly, the Political Advisory Committee remains, but it will not have any functions. I do not see a platform within the Warsaw Pact for wider political consultation. [end recording]

[Reporter] The next meeting of the Political Advisory Committee will take place in Prague in June, when decisions will be made about the fate of the Pact's political structures.

Pact Delegates Hold News Conference

LD2502202591 Budapest MTI in English 1818 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—The military dividedness of Europe has come to an end, once and for all, said Hungarian Foreign Minister Geza Jeszenszky, at the beginning of the international press conference held on Monday in Budapest, following the meeting that dismantled the Warsaw Treaty's military organization.

In his introductory remarks, Jeszenszky noted the relation between the Central European and the Middle East situation, as the process that led to the Warsaw Treaty's military organization becoming unnecessary made it possible for the peoples to take a unified stand under the auspices of the United Nations, in defence of the sovereignty of a small state.

The Soviet delegation did not attend the press conference. There were several questions as to the reason for their absence. The host Hungarian foreign minister said there were no conflicts or differences at the talks between the Soviet and the other five delegations. The Soviet delegation was also invited to the press conference, but their busy programme did not make their attendance possible. Prime Minister Jozsef Antall held separate talks with the Soviet delegation, which probably spent the afternoon at the meeting, Jeszenszky said.

In answer to a question, the Romanian minister of defence, Victor Stanculescu, said a military vacuum is coming about in the wake of eliminating the Warsaw Treaty's military organization, but this vacuum could be felt since the late autumn of 1990. At that time, the Romanian military leadership set as target to see to its national security through bilateral military agreements until a pan-European security system comes about. Romania first intends to conclude such agreements with its neighbours. It signed a cooperation agreement first with the Hungarian Army, and the two governments have ratified this agreement. Preparations are now in progress to conclude similar cooperation agreements with the Polish, Czechoslovak and Turkish armies, and plans include similar agreements with the French, Italian, Spanish and German armies. A bilateral political agreement is being prepared with the Soviet Union, said the Romanian minister of defence.

Janusz Onyszkiewicz, Polish deputy minister of defence, added they plan to fill the security vacuum in part with the European security system, in part through regional cooperation, and with a network of bilateral agreements. They would like to guarantee Poland's security not merely with military measures, but also with a whole range of political, economic and cultural agreements, he said.

Polish Foreign Minister Krzysztof Skubiszewski said the Warsaw Treaty has now been deprived of its essence, the military organization, thus further meetings are necessary to be able to declare the complete elimination of the organization. This should be followed by the creation of a bilateral and regional cooperation structure. A good example of the latter is the Hungarian- Czechoslovak-Polish cooperation initiated recently at the Visegrad summit, he said. This cooperation is not aimed against anyone, and does not exclude any single state, thereby contributing to the security of Europe, he added.

Czechoslovak deputy foreign minister Zdenek Matejka said the Warsaw Treaty's Political Consultative Committee will probably hold its last session in Prague on July 1, and will declare the complete dissolution of the organization. Hungarian Foreign Minister Geza Jeszenszky said the latest date for the dissolution of the organization is the spring of 1992, the next Helsinki conference.

In answer to the political principles that will then link the six states, the Hungarian foreign minister said:

The ten basic principles of the Helsinki document, the basic principles of the Paris Charter, and principles of democracy and non-violence will determine the future relations of these countries.

Czechoslovak Foreign Minister Jiri Dienstbier said six military agreements were abolished at the current meeting in Budapest.

The military documents dealing with the history of the Warsaw Treaty will be sequestered for the time being, said Hungarian Minister of Defence Lajos Fur, in answer to a question. The ministers did not undertake the historical evaluation of the role played by the Warsaw Treaty. Polish Foreign Minister Skubiszewski recalled the unlawful action of the Czechoslovak intervention in 1968, and said the plans were ready for an intervention in Poland, too, when Solidarity began to become a strong force. Hungarian Foreign Minister Jeszeszky added that, of course, historians of posterity will be able to say that the existence of the Warsaw Treaty prevented war in the years of the cold war, by ensuring some sort of European balance.

Journalists also asked about the postponement of the CEMA session, planned to have been held in Budapest on February 27-28. Jeszenszky reconfirmed the report, and added the postponement was justified by the fact that further coordination has become necessary in several issues in the interest of successfully organizing the high-level meeting. The Hungarian foreign minister termed the postponement to be of a "technical nature."

Romania's Stanculescu Makes Statement

AU2602195191 Bucharest ROMPRES in English 1820 GMT 26 Feb 91

[Text] Budapest (ROMPRES) 26/2/1991—Speaking at a press conference at the end of the extraordinary foreign and defence ministerial meeting of the Political Consultative Committee of the Warsaw Treaty in Budapest, the Romanian minister of defence, Victor Stanculescu,

showed that Romania was looking toward bilateral security agreements and referred in context to the agreement it had signed with Hungary. He said that similar agreements were under way with Bulgaria and Turkey. For the same purpose, negotiations are conducted with Czechoslovakia and Germany, he said, and bilateral security arrangements are negotiated in the new treaty with the USSR. Romanian officials met with NATO officials to find the ways to European cooperation, the Romanian defence minister also said.

Foreign Delegations Leave Budapest

LD2502202891 Budapest MTI in English 1905 GMT 25 Feb 91

[Text] Budapest, February 25 (MTI)—The foreign delegations that attended the session of the Warsaw Treaty's Political Consultative Committee in Budapest on Monday, left the Hungarian capital on Monday evening.

Soviet Reportage on Warsaw Pact Meeting

WA2502163091

For Soviet reportage on the Warsaw Pact Political Consultative Committee special meeting at the level of foreign and defense ministers which opened in Budapest on 25 February, see the Warsaw Pact Affairs section of the 25 February and subsequent issues of the Soviet Union DAILY REPORT.

USSR Against Releasing Pact Meeting Document

LD2702114191 Prague Domestic Service in Czech 1200 GMT 26 Feb 91

[Text] The main subject of today's new briefing at the Ministry of Foreign Affairs was the results of the extraordinary session of the Warsaw Pact Political Consultative Committee in Budapest, where its military structures have been dissolved.

Deputy Minister [of Foreign Affairs] Zdenek Matejka explained why the text of the session's main document—the protocol ending the validity of the military agreements concluded in the framework of the Warsaw Pact, and abolishing the military bodies and structures of the alliance by 31 March—had not been made public. He stated that representatives of the Soviet Union argued that these were military documents of a secret character that are not normally published anywhere in the world. As further reason they stated the possibility that some facts of the followup documents could be made public, which could negatively affect the Soviet Union's defense system.

Talking about the next Prague session of the Political Consultative Committee, Zdenek Matejka stated that Czechoslovakia, together with other countries, tried to insure that a specific date of 1 June 1991 would be set in Budapest. The Soviets refused this, giving as a reason the fact that they did not have permission from President Mikhail Gorbachev. The date is thus either the end of June or the beginning of July.

Hungary's Pact Views 'Very Close' With CSFR

LD2102211591 Budapest Domestic Service in Hungarian 1700 GMT 21 Feb 91

[Text] There is no difference between the Czechoslovak and the Hungarian views regarding the Warsaw Pact. Evelyn Forro reports:

[Forro] The stances of Hungary and Czechoslovakia regarding the Soviet proposals on the future of the Warsaw Pact are very close. This was said by a competent official of the federal foreign ministry in Prague, answering a question of Hungarian radio. Yesterday Czechoslovak Foreign Affairs Spokesman Egon Lansky expressed his opinion that the Soviet proposals were hampering the talks of the Pact member states' foreign and defense ministers to be held in Budapest on Monday. To this, Janos Hermann reacted at home by disagreeing with the stand of Lansky. The official of the federal Foreign Ministry had now said that Lansky was giving his own opinion, especially because no official statement had then been made on the Soviet proposals. Such a statement has now been made, and the view is that the Hungarian and the Czechoslovak opinions are very similar. The preparations for the meeting in Budapest are progressing satisfactorily. No problems seem to endanger success.

Loncar Airs Issues at Madrid Meeting

LD2102232291 Belgrade TANJUG in English 2033 GMT 21 Feb 91

[Text] Madrid, 21 Feb (TANJUG)—Yugoslav Foreign Secretary Budimir Loncar voiced confidence today that the stabilization of Yugoslavia was possible and inevitable despite the country's facing serious hardships.

In the debate at today's session of the Council of Europe's ministerial committee in Madrid, Loncar said that the "stabilization of Yugoslavia will coincide with the process of establishing democracy and introducing the market economy principle."

Together with his counterparts from the USSR, Poland, Romania and Bulgaria, Loncar was special guest at the session of the Council of Europe.

Having stated that acute debates were being held in Yugoslavia about the country's future order, Loncar added that accord was reached as to democratic and peaceful dialogues (?as) the sole way towards an exit from the crisis.

"What is most important now is to achieve a political accord between the republics and the federal authorities concerning the new constitutional order," said Loncar in noting that the common concern existed in Yugoslavia about the four groups of questions: the introduction of parliamentary democracy, the introduction of market market economy, the respect of human rights, and the inclusion into the process of European integration. The common concern, said he, should facilitate the relevant accord to be reached.

Loncar advised the ministers about steps taken by Yugoslavia, as a non-aligned chair country, towards an end to be put to the Gulf crisis.

He talked with Soviet Foreign Minister Aleksandr Bessmertnykh on bilateral cooperation and the latest Soviet initiative to end war in the Gulf.

Loncar also confered with his German counterpart Hans-Dietrich Genscher about the situation in Europe and Yugoslavia, when Genscher stressed that Germany was fully upholding the democratic and reformist processes in Yugoslavia just as its stability and integrity.

Loncar Meets With Bessmertnykh, Genscher

LD2202082191 Belgrade TANJUG Domestic Service in Serbo-Croatian 2007 GMT 21 Feb 91

[Text] Madrid, 21 Feb (TANJUG)—Budimir Loncar, federal secretary for foreign affairs, who is attending a meeting of the European Council in Madrid, held a lengthy talk today with the head of the Soviet diplomatic service, Aleksandar Bessmertnykh, about bilateral cooperation and the latest developments in the Gulf war.

The two ministers also exchanged views on the latest Soviet initiative for ending the Gulf war as well as about what else could be done in the framework of the international community to stop further devastation from the war.

Loncar and Bessmertnykh agreed that, as far as the countries' bilateral relations are considered, economic cooperation should be expanded while their political dialogue and occasional top-level meetings should be continued.

In his talks with [German Foreign Minister] Genscher, Loncar exchanged views on the situation in Europe as well as in Yugoslavia proper, while the German head of diplomatic service pointed out again that his country maintains full support for the democratic and reformist processes in Yugoslavia and its stability and integrity.

Loncar also met with the foreign ministers of some neighbor countries.

Nonaligned Urge UN To Review New Gulf Situation

LD2602164291 Belgrade TANJUG Domestic Service in Serbo-Croatian 1605 GMT 26 Feb 91

[Text] Belgrade, 26 Feb (TANJUG)—Proceeding from the established stands of the Nonaligned Movement [NAM] regarding the crisis, that is, the war in the Gulf and the latest developments in the region, Yugoslavia, in its capacity as the NAM chairman, holds that the United Nations Security Council should urgently consider the newly arisen situation, the Federal Secretariat for Foreign Affairs stated today.

Yugoslavia assesses that conditions are gradually being met for the United Nations Security Council to make a decision on the strict implementation of all relevant United Nations Security Council resolutions, so that as soon as possible, peace in the region and the sovereignty and territorial integrity of Kuwait could be restored, and further casualties avoided.

Nastase Meets German, Hungarian Counterparts

AU2202194191 Bucharest ROMPRES in English 1719 GMT 22 Feb 91

[Text] Madrid, ROMPRES, 22/2/1991—Romania's Foreign Minister Adrian Nastase, who has attended the extraordinary session of the board of ministers of the Council of Europe, had contacts with some of his counterparts present in Madrid. With the German Foreign Minister Hans Dietrich Genscher aspects were approached concerning the prospects of democratic changes in the East-European countries, the necessity for West-European countries to energetically support these processes, that will take longer.

Views were expressed on the most adequate ways, many-sided institutional agreements included, for the central and East European countries to strengthen their confidence and the protection of their security interests, in the light of the restructuring of the Warsaw Treaty.

The two ministers agreed to pay full attention to the development of Romanian-German relations and to keep a permanent contact between the two ministries.

Romania's foreign minister also had a long interview with his Hungarian counterpart Geza Jeszenszky.

Minister Adrian Nastase referred to certain stands and statements made by the Hungarian party that could artificially keep the Romanian-Hungarian relations tensed, such as the recent statement by the Hungarian minister in the UN Commission for Human Rights.

The Hungarian party mentioned the concern of the Hungarian Ministry of Foreign Affairs as regards certain irregularities at the frontier between Hungary and Romania and the status of the Hungarian minority.

The two ministers put forth their opinions straightforwardly considering that is the only way of making thinks clear.

The Romanian minister reassessed Romania's Government was decided to approach the relations between Romania and Hungary pragmatically, to take all the steps possible at a certain moment, in view of developing the cooperation between the two countries.

The two ministers also expressed their points of view as concerns the cooperation among the central and East European countries, for promoting security agreements.

They appreciated their talks were fruitful and agreed to keep permanently in touch.

Foreign Minister Adrian Nastase also had interviews with the foreign ministers of Spain, the Union of Soviet Socialist Republics, Yugoslavia, Bulgaria, Austria and Norway.

Hungary's Fur on Bilateral Military Agreements

LD2502185791 Budapest Domestic Service in Hungarian 1730 GMT 25 Feb 91

[Interview with Hungarian Defense Minister Lajos Fur by Istvan Kulcsar on 25 February; place not given—recorded]

[Excerpts] [Kulcsar] Mr. Minister, with what kind of feelings did you sign the document today?

[Fur] With special feelings. [passage omitted]

[Kulcsar] In Eastern and Central Europe, multilateral relations are more and more replaced by bilateral relations and this also goes for military and defense relations. I am informed that an open sky agreement with Romania is under preparation. The Soviet Union is very important from the point of view of bilateral military relations because, obviously, it will be an important supplier of arms for us in the future. Did you have the opportunity to meet and to carry out separate consultations on these issues with your Romanian and Soviet collegues?

[Fur] I met them both, and, with other collegues. We managed to meet in the recesses. We have signed the first bilateral military agreement with Romania, which, nowadays is being remarked upon in the region as an example. As an organic part of this, negotiations are under way about the cooperation on air space, and parallel with this, about the establishment of some sort of open sky policy. I have to say that recently I had talks on this with the Swiss defense minister; they are also keen to join this, if you like, open sky movement.

The reason why I also met with the Soviet collegue last night was because we had already sent the agreement drafts, the ideas, already at the end of last year, on the basis of which we would like to conclude a bilateral military agreement with the Soviet Union. We talked about this and many other things with Minister Yazov. The state of affairs at the moment is that, according to the Soviet concept, they are quite ready to sign the bilateral military agreement, but only after having signed the bilateral government agreement. Thus, it can be expected that at the end of spring, beginning of summer this year, I think, the bilateral military agreement could be signed.

[Kulcsar] The military structure of the Warsaw Pact is going to end as of 31 March. We will not be a member of a military bloc. What is Hungary's status going to be after this? Are we going to be neutral, nonaligned, or what?

[Fur] Yes, I have been asked this question several times already and, after giving it some thought, I found a name for it. We will be neither neutral nor members of any bloc—military, political, or otherwise. We will not be a nonaligned country either in the sense of how this phrase has been used for a long time. I believe we will be a country that can be called, in short, a free country. An independent and free country. Perhaps this is the status that, in this transitory period, is the most suitable for Hungary, until a certain pan-European security system is established in reality and until European reconciliation actually comes about.

CSFR Troops Become European Military Members

LD2102200791 Prague CTK in English 1844 GMT 21 Feb 91

[Text] Prague Feb 21 (CTK)—The Union of Professional Soldiers of the Czechoslovak Army has been admitted as a regular member of the European Organization of Military Associations (Euromil) at its current session here, Euromil President Jens Christian Rotboll from Denmark told journalists here today.

He spoke about Euromil's three day session which started in Prague yesterday. The venue of it is the best proof of Euromil's good will at establishing close contacts with Eastern and Central European countries which have liberated themselves from the totalitarian system, Rotball said.

He announced that the Soviet military organization "shield" has also applied for Euromil membership at the Prague session.

This morning an Euromil delegation was received by Czechoslovak Presisdent Vaclav Havel who appreciated the organization's activities.

Attempt To Seize Arms Reported; Gunfire Heard

AU2602164691 Paris AFP in English 1631 GMT 26 Feb 91

[Text] Belgrade, Feb 26 (AFP)—Gunfire was heard in the Albanian capital overnight as raiders attacked a military establishment in an apparent attempt to seize an arms cache, a journalist contacted by telephone in Tirana, told AFP Tuesday.

The shooting incident followed clashes at the weekend between supporters and opponents of the late hardline communist leader Enver Hoxha in which three people died, according to an official toll - more than a dozen, according to independent sources. The around 100 people arrested were due to go before military tribunals in the next few days, reliable sources said.

Pro and anti-Hoxha groups clashed Monday in the southern town of Vlore where "local townspeople banned a gathering of Hoxha supporters on Sunday", the Albanian journalist said. Despite the incidents, security was eased in Tirana on Tuesday with fewer patrols by army and police. Tanks were no longer stationed on Martyrs Boulevard, the city's main thoroughfare, but remained in place in the residential area where many of the country's government and communist party cadres lived.

Albania is currently deeply divided over the role of Enver Hoxha, the hardline communist leader who imposed a particularly harsh form of Stalinist rule on the country for 40 years until his death in 1985. Pro-democracy supporters have been campaigning for the removal of all statues and busts of Mr. Hoxha, a symbol of Albanian communism, while old-style loyalists want the statues to remain.

The party newspaper ZERI I POPULITT on Tuesday accused the Democratic Party, the main opposition party which is standing against the communists in free elections on March 31, of organising the recent "riots and acts of vandalism". The newspaper expressed support for the numerous pro-Hoxha demonstrations that have taken place in towns in the south, the native region of many of the regime's leaders.

In Brussels Tuesday the Economic Community and its member states gave their "encouragement to any progress towards democracy in accordance with the principles of the rule of law and call upon the Albanian authorities to do nothing which could compromise the movement towards reform."

Alia Receives, Addresses District Representatives

AU2602205791 Tirana Domestic Service in Albanian 1900 GMT 26 Feb 91

[Text] Comrade Ramiz Alia, first secretary of the Albanian Workers Party [PPSh] Central Committee, received in the Palace of Congresses this morning representatives of the people from the districts of Vlore, Fier, Skrapar, Lushnje, and Berat, and conducted conversations with them in connection with the recent course of events in Tirana, Korce, and Durres. This afternoon, he held a similar meeting and conversation with representatives of the people from the districts of Gjirokaster, Sarande, Tepelene, and Tropoje. Xhelil Gjoni and Spiro Dede, secretaries to the PPSh Central Committee; Comrade Adil Carcani, member of the PPSh Central Committee Politburo and chairman of the General Council of the Democratic Front of Albania; and Nexhmije Hoxha and Shefqet Peci, members of the PPSh Central Committee, were also present at these meetings.

At these meetings, those present, their hearts bruised by the vandalous acts committed against the monuments to Comrade Enver Hoxha, the unforgotten leader of the PPSh and the Albanian state, expressed the deep indignation and wrath of the people of the districts and regions they represented against the forces that carried out and supported the barbaric and illegal acts of 20 February. Expressing the people's great respect and boundless gratitude for the achievement of Enver Hoxha, with whose name the National Liberation War, the country's liberation, and all the socioeconomic transformations achieved in our country are indissolubly linked, the participants frankly and openly demanded protection for the achievement and figure of Enver Hoxha, as they have done in letters, telegrams, and petitions addressed to Comrade Ramiz Alia and in their spontaneous mass rallies. Those present stated that no one should consider that the legitimate wrath and sensitivity of the people to acts of violence show the handiwork of allegedly conservative forces. We are ordinary people, and are conveying here the genuine voice of the people and of tens and hundreds of thousands of people from the fields and factories. The serious acts of violence have brought us to our feet and drawn us together. We have accepted, and we love pluralism and tolerance, dialogue and debate. We love democracy and democratization, but no one has the right to trifle with the feelings and thoughts of the people. No one has the right to violate our peace and security. No one has the right to carry us toward a fratricidal war and regional division. It was stressed at these meetings that, for the good of Albania and democracy, we are against all adventurist behavior, and are against any force or excess that would become an obstacle to free and pluralist elections. The participants stressed that political forces in the country must work with historic responsibility for the unity of the people and not for its division. Their dissociation from terrorist forces and from any act that incites or encourages real tensions must be evident in deeds and not in words. The conversations, which lasted for hours on end, expressed the deep concern of the people to further deepen democracy, but without excesses and violence. Tolerance, they said, is necessary, but not to the point that it is abused by internal and external enemies and forces of violence and terror. The laws must be respected and the forces for the preservation of order must act without the slightest hesitation against those who break these laws. This is the only way to avoid anarchy, division, and fratricide. The laws express the will of the people, and no one must hold himself above them.

In the discussions, Comrade Ramiz Alia also spoke, and thanked the participants for their views, comments, and

frank and unreserved suggestions. I understand the feelings of the people, he said among other things. Every honest Albanian has been shaken by the great pain caused by the events of recent days, especially the removal of Comrade Enver Hoxha's monument; however, the people have shown once again that Enver Hoxha was and is our banner. None of us can forget his achievements, nor the oath and promise that we gave to the leader of the PPSh and the state, Comrade Enver Hoxha. All these events, Comrade Ramiz Alia stressed, must be viewed with calm and moderation. Talking about them, he said that he supports the views of the people regarding the responsibilities of the forces for the maintenance of order and of the communists and people of Tirana, etc., who should have acted more determinedly and taken preventive measures before such painful events.

Comrade Ramiz Alia later focused on some problems of the domestic and international situation, and in this context talked about the tasks facing communists and all the people to carry forward the process of the democratization of the country's life, to strengthen freedom and independence, to further develop Albania, and to ensure the people a better future. We must not be afraid, but must look reality in the eye. The main thing in this political struggle is to avoid bloodshed and splits among the people and in the party. This struggle for the development and progress of Albania is a new path, and there can be no advance on the old roads. No, Comrade Ramiz Alia stressed, we will forge ahead with clear convictions on the road of deepening and consolidating democracy. We must show to ourselves and to the world, everybody who loves us or who does not love us, Comrade Ramiz Alia emphasized, that we are able to properly solve our problems with a high sense of responsibility, in the most democratic way, by respecting law and order and lofty Albanian traditions and virtues, without answering violence with violence or extremism with extremism, without excesses and internal tensions, and without malevolent intervention from abroad. We love and understand Europe, but Europe must also hear us correctly and understand us correctly.

It was strongly emphasized at these meetings that everything must be done to prevent any act that leads to regional divisions. In connection with the demands of thousands and thousands inhabitants of different parts of the country for the erection of monuments to Comrade Enver Hoxha, Comrade Ramiz Alia expressed the view that this must be decided by a people's referendum after the elections of 31 March and the first session of the new People's Assembly that will emerge from these elections. Under the current difficult economic and political conditions through which the country is passing and in this tense situation, it was said at these meetings, everybody needs determination not only in words but in work and thought.

With mature thinking and a high sense of responsibility, the representatives of the people from these districts demanded that, regardless of what has happened, the course of events must serve to strengthen the advance of democratizing processes. They expressed their support for the creation of the Presidential Council and the new government, and also expressed their great faith in Comrade Ramiz Alia in leading the Albanian people and state on the road of deepening democracy and establishing stability in the country and public peace, so the free elections of 31 March may be crowned with success.

FDSh Warns of 'Danger' to National Unity

AU2602210391 Tirana Domestic Service in Albanian 1900 GMT 26 Feb 91

[Statement by the Presidium of the General Council of the Democratic Front of Albania; place and date not given]

[Text] Albanian people, our dear homeland is passing through tense days, perhaps the most serious in its postwar history. Freedom, independence, and national unity are in danger. Destructive forces, incited by internal and external enemies, are attacking the victories of the people's revolution. They are undermining pluralist democracy and are destroying the peace and order that is so necessary on the threshold of the elections. The apogee of these attacks was the overthrow of the monuments to Comrade Enver Hoxha, the glorious leader of the National Liberation War and the founder of the new Albanian state. These base acts, accompanied by the burning of books and the destruction of objects of cultural value, have wounded the people's feelings, because they are an assassination attempt on national history, a cynical attempt to show our ancient and cultured people in a false light in front of the civilized world. The indignation of the broad masses shows that a monument to our glorious leader is built in the heart of every warrior and patriot. People of Albania, coping with this situation demands that every attempt to cause division and confrontation must be resisted. Let us develop our economy, carry the homeland forward, and integrate ourselves in European and world processes. For the sake of these aims, we call on all political parties and organizations to dissociate themselves from destructive acts with concrete deeds, to make their maximal contribution to preventing them, and to carry out the political struggle according to the principles of democratic ethics, abandoning as soon as possible the demonstrations on the streets, work stoppages, and interruptions of classes which exacerbate the situation. Order and calm are necessary especially now, when we are only one month from the elections. Their normal conduct demands the operation of the rule of law and the greatest possible stability in the country, to ensure calm for all citizens

and to enable voters to decide freely and without pressure for whom they will give their vote. There is every opportunity to conduct the political struggle during the electoral campaign solely by democratic means. The Democratic Front [FDSh], deeply aware of the need to surmount as soon as possible the situation that has been created, expresses its conviction that the people will strongly support the Presidential Council and Comrade Ramiz Alia, the initiator of the democratic reforms undertaken so far. We call on all citizens and patriots from Vermosh to Konispol to remember that we are united by a single language and history, and to give their maximal assistance to turning the electoral campaign not into an arena of quarrels but a debate among the whole people for the future of the homeland and the prosperity and progress of Mother Albania.

Presidium of the General Council of the Democratic Front of Albania.

Democratic Party Holds Aktiv in Bajram Curri

AU2602221091 Tirana Domestic Service in Albanian 1900 GMT 26 Feb 91

[Text] The Democratic Party [PDSh] recently held an aktiv for Tropoje District in the Dardania Palace of Culture in the town of Bajram Curri. The aktiv was opened by (?Besnik Balaj), member of the district's initiating Commission. (?Rasim Mustafa), member of the district's Initiating Commission, talked about the party branch's recent work in the district. The report and the many subsequent speeches pointed out the results achieved in democratic processes. In extending the party's work in the election campaign to all parts of the district, a primary task is to strengthen national unity and to preserve cool heads and tolerance at this delicate period that is so fraught with great tensions. We must be wary of provocateurs of all kinds. We are sons of one nation; therefore, we must consider members of other parties as brothers with different political opinions.

Candidate of Sciences Shaban Memia, the delegate of the Managing Commission of the Democratic Party of Albania, also spoke at the aktiv. Among other things, he said that in the methods of work to be pursued in the future, strengthening unity is the only road that will carry forward the process of the country's democratization. He called on all Albanians to keep Albania united and to suppress their personal feelings for the sake of the entire nation. The democratization of Albania and especially of Malesi e Gjakoves is also an objective necessity for the cause of martyred Kosovo. He also focused on the PDSh's electoral program. In conclusion, the aktiv elected a Managing Commission and issued a communique addressed to the people of Tropoje District, about strengthening unity.

'Significant' Pro-Hoxha Rally Held in Dukagjin

AU2602173391 Tirana Domestic Service in Albanian 1700 GMT 26 Feb 91

[Text] In the remote region of Dukagjin in Mat District [as heard], the inhabitants of 15 villages in this area gathered at the Shenkol (?Pass) in the village of Dukagjin at a large popular rally in defense of the character and work of Comrade Enver Hoxha. The rally was opened by the teacher Osman Hoxha. The many speakers who spoke at this rally, such as Ibrahim Arifi, Fadil Hoti, Nazif Gjoka, Haxhi Uka, the agronomist Hasan Basha, and the young girl [name indistinct], stressed among other things that the choice of this place for the rally was significant. As the teacher Nazif Gjoka said, more than 2,000 representatives from Kosovo and all Albania gathered in an assembly here 390 years ago to make their pledge to unite against the Ottoman invader. This assembly was a example of national unity. We too today, they said, have gathered in this rally at a time when we think that the freedom and independence won with so much blood and sacrifice require our words and unity. They tore down Enver Hoxha's monument, but they cannot tear down the monument that was built by the entire people, including we highlanders of the remote area of Dukagjin. [passage indistinct] [Name indistinct, member of the Initiating Commission for the creation of the Union of Enver Hoxha Voluntary Activists, also spoke at the rally. [passage indistinct]

Rallies in Korce, Other Districts

AU2602213791

[Editorial Report] Tirana Domestic Service in Albanian at 1900 GMT carries a total of eight minutes of reports on pro-Hoxha rallies in Korce and various parts of the country.

In one of the reports, a Korce correspondent states: "Communists, veteran, workers, cooperativists, military personnel, and young people down to little girls are strongly grieved at the unprecedented vandalism against the monument to Enver Hoxha, the comrade, leader, commander, and teacher of the Albanian people; their grief is greater than on that day of national mourning of 11 April 1985, when his life ended." The reporter states that many villages of Korce District "rose to their feet to protect their own dignity. There was no need for propaganda and party calls and encouragement. National dignity has no need for orators. It stands vigilant, lively, and vigorous." The reporter further states: "Thousands and thousands" assembled in Korce on 25 February, "led by national flags and portraits and busts of Enver Hoxha, waiting for 1500, when a rally was organized by the Association of Enver Hoxha Volunteers and Activists Association in front of the plinth where his monument stood." The crowd reportedly shouted, "We will surrender our lives, but we will not surrender Enver; Enver is ours; Party Enver, we are always ready; Down with the vandals; etc." A bust of Hoxha is reported to have been placed on the site of the earlier monument.

Speakers at the rally reportedly demanded "a referendum to declare the will of the people to announce Enver Hoxha a national hero."

Another report also describes a pro-Hoxha rally at Drashovice in Vlore District, "demanding that Enver Hoxha be declared a national hero. It was said that the recent rallies are a full national referendum on the inviolability of his brilliant figure."

A rally in Peqin reportedly "demanded the boulevard of the town to be named after Enver Hoxha." Pro-Hoxha rallies are also reported to have taken place in Manez in Durres District and Zgjan in Lushnje District.

Agrarian Party Supports Post-Election Referendum

AU2602213491 Tirana Domestic Service in Albanian 1900 GMT 26 Feb 91

[Text] The Agrarian Party dissociates itself from the serious events of recent days, and calls on the people to be calm and prudent. The figure of Enver Hoxha can only be judged by an all-people's referendum after the election of the new Assembly. Today more than ever, we need debate with mutual tolerance to establish a healthy pluralist democracy to the benefit of us all, without excesses and revenge. To go to the 31 March elections with prudence and wisdom, let us all unite our forces around the Presidential Council headed by President Ramiz Alia. We are living through a serious economic situation, especially regarding the food our agriculture produces. The Agrarian Party therefore calls on everyone to work, especially working people and specialists engaged in the spring sowing, because tomorrow will be too late.

The lofty interests of the people and the homeland above everything.

Greek Minority Democratic Union Registered

AU2602221591 Tirana Domestic Service in Albanian 1900 GMT 26 Feb 91

[Text] On 22 February, the justice minister summoned representatives of the Initiating Commission for the creation of the social organization of the Democratic Union of the Greek Minority [Bashkimi Demokratik i Minoritetit Grek], known as Omonia for short, and conveyed his instruction approving the creation of this organization, its registration in the appropriate ledger of the Ministry of Justice, and the deposit of its documents in the archive of this Ministry, in accordance with Decree No. 7,442 dated 17 December 1990 on the creation of political organizations and associations.

This instruction, which comes into effect immediately, was conveyed to the Initiating Commission for the creation of this social organization.

Future Agricultural Policy Examined

AU2602173791 Tirana ZERI I POPULLIT in Albanian 17 Feb 91 pp 1-2

[Professor Dr. Lufter Xhuveli article: "About the Crises and Solutions in Agriculture Again"]

[Text] Agriculture and its products constitute a basic branch of our national economy. However, urgent problems of economic policy of importance for agriculture have so far either been ignored, or have been left to slowly simmer. Perhaps this may be because of lack of public information. If we continue to wait and fail to act, the mechanism of the market economy and competition, to which the doors are now open, will have a damaging and corrosive effect on our agricultural economy.

Agrarian policy is among the priority problems on which our work and attention could be concentrated.

Establish Price for Land

This is an extremely urgent need. At a time when we are a country with almost the least amount of land per person in Europe (0.21 hectare), and this ratio is tending to further decline, we still have no price for land, and we manage land carelessly. Thousands of hectares of the most fertile land are lost every year because of the construction of hydroelectric power stations, industrial projects, apartment blocks, roads, etc. Even though new land has been brought under cultivation, the area of cultivated land declined by 4,000 hectares between 1980 and 1989. Foreign investments and the highways, hotels, and other projects that will soon be constructed will place the land in further danger. The land will undoubtedly be better protected when different prices are established according to the land's level of fertility, its use, relief, access to irrigation, and distance from residential areas, and when underground resources are taken into account in investors' costs or in compensation payments. The experience of other countries could be borne in mind in establishing a price. In Italy for instance, the price of land in Lombardy, in northern Italy, is three times higher than in the south.

Abandoning the Centralized Planning of the Production and Delivery of Agricultural and Animal Products

This should be replaced by a system of legally-based contracts and the operation of the law of value based on supply and demand. To moderate fluctuations on the market, the state should intervene by establishing "floor" and "ceiling" prices for certain goods.

State Protection of Agricultural Products By Guaranteeing "Minimal Price"

This means that, when domestic or world market conditions lead to a fall in the selling price of certain essential products for the economy, the state will not allow the burden to fall on enterprises, cooperatives, or individuals. It will compensate losses arising from the difference between the selling price and the "minimal price" it has earlier guaranteed. As

occasion arises, producers may be protected by the state, which will purchase agricultural products beyond its needs, or by the imposition of protectionist tariffs to exclude the competition of imported products, where necessary. The United States, for example, has pursued the policy of guaranteed prices for "principal" crops such as corn, wheat, cotton, rice, tobacco, and peanuts. The EEC countries do the same for a range of goods. Subsidies are often a matter for discussion and misunderstanding among states. Disagreements over the size of these subsidies led to the failure of the GATT's most recent international conference.

I think that the correct policy pursued so far to stimulate agricultural production in mountainous areas, particularly the northeast with differentiated prices and preferential rates for the purchase and sale of production and for labor, has accomplished its task. I think it would be inappropriate to continue it under the new conditions because it dissociates the prices of products from their value and distorts the assessment of the labor socially necessary for the production of goods. This mechanism could be replaced by mechanisms stemming from land prices and the fiscal system, without harming the aforementioned regions.

Perhaps it has been justifiable up to this time to absorb a large proportion of the earnings of agriculture into the state's centralized budget. The time has now come to reduce this absorption of earnings, to increase the earnings of the peasantry, and at the same time to enable society to repay its "debt," by increasing its investments in production and the expansion of infrastructure and essential services, while at the same time meeting other needs through a more varied system of credits.

Strengthening the personal plots and creating plots for those living on farms will require (this is now urgent) the opening of stores to sell fertilizer, pesticide, seeds, and agricultural equipment and tools. Likewise, there is an urgent need to increase the pool of small, low-power tractors, which has not been done, although it has been and is necessary. At the same time, some of these can be sold to the cooperatives.

To further stimulate production, especially in hilly and mountainous areas, there is also a need to achieve a new conception of the role of the cooperative and its relations with its members. For this purpose, a system of contracts between the cooperative and its members may be introduced, with piecework on the basis of production units, rented land, subsidiary activities, etc. At the present stage, I think the basic thing is to achieve a new conception of the cooperative's productive and coordinating function, with a broader vision. This means that the cooperatives should be treated as economies of complex production, involving a range of activities and productive systems, viewing them as farming systems tied to territorial areas. In this sense, not only arable land is used for production, but water, forests, wild vegetation, wildlife, biotechnological resources, the production of construction materials, greenhouses, the full or partial processing of agricultural and animal products, handicrafts, and service and production work connected with the expansion of tourism, business activities, etc. are also involved. Cooperatives, particularly mountainous cooperatives with little collective land and where the plots carry greater weight, will assume a coordinating function in acting as agents for the purchase and sale of their members' products to third parties and as suppliers of materials and technology.

What Are the Prospects for Agricultural Specialists?

Accomplishing the necessary changes in agriculture involves specialists; however, these people are justifiably becoming worried, especially young specialists and students in training. This is another critical matter. The changes and reorganization in the economy have led to some specialists becoming "superfluous," and some others, such as veterinarians and planning and financial economists are unsure of the future of their professions. The question arises of what must be done with them. Where will they work? Who will employ them? What policies should be followed for enrolling them in colleges?

Presently, there is no reason why specialists should be "superfluous." This question can be solved if state and economic bodies consider the problem better, and give preferential financial treatment because of difficult working conditions.

In 1990, there were 16,000 agricultural specialists with college qualifications. There are also about 5,500 others in training. How and where will they be employed?

There are two options: The state may continue to keep the college doors open to all, and not commit itself to employing new graduates, or it may continue in its commitment to employ new graduates, but restrict college admissions. Neither alternative is a cut and dried solution; however, the problem must be considered and decided without losing time. The world encountered this problem before we did, and we can learn from it.

The new situations demand a review of specialist training courses in some branches to consider whether they should continue as they presetnly are or whether training should be less specialized. Alongside this, there should also be the quickest possible renewal, adaptation, and restructuring of teaching curricula, so schools too will keep pace with the rest of the country.

Todor Zhivkov's Trial Continues in Sofia

'Will Not Answer' Questions

AU2602171991 Sofia BTA in English 1450 GMT 26 Feb 91

[Text] Sofia, February 26 (BTA)—Todor Zhivkov stated at today's hearing of his case that he will not answer the prosecution's questions and that he leaves the defence to answer them for him.

Invoking his right to answer the charges brought against him by Prosecutor Krasimir Zhekov, the former number one denied all counts of the indictment and pleaded not guilty of any of the charges. At the end of his defence speech he repeated that he considered the trial political, that he was not defending himself but the cause of his lifelong struggle. "I will not allow some would-be politicians to denigrate the socialist ideals and the fact that we used to idealize them," he said.

"We lived and fought, we made mistakes but we also won victories," the former dictator said. "I admit once again that I have made mistakes but I have committed no crime against the people or the law. As far as my further participation in the trial is concerned, I believe that as the clarification of the questions raised by the prosecution is within the competence of other persons and bodies, and as I find these questions tendentious with respect to a head of state, I ask the honourable judges to bear in mind that I am not going to answer any questions of the prosecution until the end of the trial," Todor Zhivkov said at the end of his defence speech.

However, he immediately expressed his readiness to answer questions from the bench.

Denies Prosecutor's Charges

AU2602210091 Sofia BTA in English 1956 GMT 26 Feb 91

[Ognyan Branichev report]

[Text] Sofia, February 26 (BTA)—The former Bulgarian dictator interrupted the prosecutor today telling him to stop nagging at him, after changing his decision not to answer the prosecutor's questions. Categorically rejecting the allegations of mismanagement, of malfeasance in office and of a culpable aacumulation of large personal benefits, Todor Zhivkov asked the prosecutor: "Aren't you being petty?"

As was envisaged, on the second day of the trial of the most longstanding ruler in the former socialist countries, Zhivkov was given the floor to present his view on the accusations made against him, which was followed by his interrogation. Todor Zhivkov said he was acquainted with the indictment. He started and ended his defence speech by categorically pleading not guilty. Todor Zhivkov said that immediately after the changes of November 10, 1989, he became the victim of a vandal cadinary [as received] investigation which he regarded as a gross violation of his rights. Zhivkov also complained about the numerous searches made in the home of his son—they were 20, he said, and those in the home of his granddaughter—15.

He took up a subject which he had kept mentioning in all his interviews recently given to the mass media about the role of the present deputy chairman of the BSP Andrey Lukanov (during Zhivkov's regime Lukanov reached as high up as the Politburo) in his present procedural status. The defendant said that Andrey Lukanov (in his capacity as chairman of the now disbanded Parliamentary Commission on Abuses) was directly responsible for his "personal denigration," as he put it, which started early last year. It was with Lukanov's signature that the materials for initiating proceedings against him were submitted to the office of the prosecutor general (according to Zhivkov these comprised only newspaper clippings).

Still, Zhivkov admitted that initially he himself refused to have a lawyer, but that the legislative amendments passed in the spring of 1990 requiring defence under certain circumstances made him change his mind. His objection is that in the course of a month after these legislative amendments were made he was deprived of a lawyer and have been abandoned and referred to history, but as it is still continuing it is my duty to speak up, Zhivkov said. [sentence as received] In this trial I am not defending myself, he continued. Had it been so, I would have left it to my lawyers to speak for me. I am defending millions of people, who worked, made mistakes but still we made progress. I assume the political responsibility for everything that happened, good or bad, but I have made no transgressions and when I made mistakes, I was convinced I was right, the defendant said.

Zhivkov explained that the facts should not be viewed outside the context of the time in which we lived. Then he asked the panel why he had not been charged with squandering billions and having opened accounts with foreign banks. The public is being told that I have taken this money outside the country, he said. Lukanov himself is asserting this. The defendant declared that he was ready to make his contribution to revealing the truth about, as he said, the missing sums of 3-4 billion leva a year.

He also insisted that he be charged with owning summer houses and palaces which he and his family had built in different parts of the world, with being an agent provocateur during the anti-fascist struggle and with wanting to integrate Bulgaria into the Soviet Union.

Let us sit at the "round table" and see where the causes of the crisis lie, whether Todor Zhivkov is to blame, whether others are to blame or whether we are all to blame, the defendant suggested.

At this point the presiding judge suggested that Zhivkov should not depart from the concrete charges, to which he answered that he would be brief. Then all of a sudden he said that this was the first time he was acquainted with

entire indictment and that he should be given time to explain the truth. And it is that as a former state and party leader he should be tried only for violating the Constitution and the statutes of his party.

Zhivkov deemed it necessary to say that the BCP [Bulgarian Communist Party] was the first party to give up its leading role in society, for which he was reproved by the fraternal parties and summoned to Moscow where he was asked why he had betrayed this Leninist thesis. But he had not yielded to pressure.

Then came his explanation on the charges concerning the privileges enjoyed by the higher party and state echelon. After showing some signs of hesitation, the defendant then told the prosecutor outright that he was either biased or incompetent in his interpretation of the work of this institution. According to Todor Zhivkov the Security and Protection Department was not an organization for rendering services to Todor Zhivkov and his circle but performed important tasks related to the security of the country. As regards its economic activities, he said he saw nothing out of the ordinary in them because the department worked in this field in compliance with the economic laws.

Todor Zhivkov suggested that the circumstances around the activities of the Security and Protection Department be clarified either at a closed court session or before the Parliamentary National Security Committee by him or by the former chief of the department, General Milushev.

According to Zhivkov the privileges enjoyed by the upper party and state echelon in the form of money, summer houses, services, etc. are something quite normal and exist in every country. The defendant called all these not privileges, but a "technology" of government.

The defendant is of the opinion that now more expenditures are being made in this field than during the time of his rule and that information had been prepared for him on this subject, but that those who were to give it to him had panicked.

Zhivkov does not consider himself guilty of handing out apartments as well. There were cases in which he had to interfere. He denied that any member of the former Politburo of the CC [Central Committee] of the BCP had referred to him with a plea for an apartment.

The former No. 1 said that the sums he had received for his works were legal. He even offered to change the 40,000 leva included in the indictment for the "hundreds of thousands" of leva that poured into the funds of his party thanks to these works. Zhivkov maintained that he took a direct part in the elaboration of these works.

Obviously Zhivkov sees nothing abnormal in the payment of additional fees to the personnel in his attendance. He said that these were problems of the chief of the Security and Protection Department.

At this point Zhivkov wound up his speech and said that he would not answer the questions of the prosecutor because his accusations were tendentious with regard to a head of state and the problems raised were within the competence of other bodies and persons. His lawyers would speak for him. Before that Zhivkov had stated that he was not afraid of the questions of the prosecutor.

Then, however, he began answering the questions of the court and agreed to give explanations to the prosecutor too, who had to come down to the dock in order to be better understood by the defendant.

Throughout the hearing Zhivkov's lawyers stood close to their client, which made the prosecutor observe that it was difficult to work in this way.

Many of the questions of the prosecution remained unanswered and Zhivkov called some of them "petty" and "nagging." When the question of the cars handed out was brought up, Zhivkov said: "Why not forget about these cars!"

Today's hearing continued for almost three and a half hours and eventually it seemed as if fatigue had its say on Zhivkov's answers.

Tomorrow the court will continue the interrogation of the defendant.

Accuses Prosecution of 'Falsification'

AU2702122191 Sofia BTA in English 1133 GMT 27 Feb 91

[Text] Sofia, February 27 (BTA)—At the opening of today's hearing Todor Zhivkov declared once again that he did not wish to speak and that all questions should be referred to his lawyers. He insisted before the court that inquiries be made on how much the government of the state cost "under Todor Zhivkov" and how much it costs now. This is extremely important, Todor Zhivkov said, because it would reveal how economical the government of the state was before and how uneconomical it is today.

Mr. Todor Zhivkov accused Prosecutor Krasimir Zhekov of resorting to falsification methods, unworthy of a court of justice. He asked to be given the opportunity to decide when to answer the questions of the prosecutor and when to leave them to his lawyers.

During the long interrogation the defendant said that in the period after 1968 it was possible for the implementation of the party decisions to be financed by the national budget. This was possible and this is what we are criticizing now; it stemmed from Article 1 of the Constitution, Zhivkov said. All documents of the party concerning the Council of Ministers and other bodies were obligatory for them. The question of the prosecutor who was responsible for this state of affairs gave rise to a dispute between him, the counsel for the defense, the defendant and the court panel. The prosecutor repeatedly stated that if he is given answers by several people simultaneously he would not be able to work. Still Todor

Zhivkov did give an answer: this was the situation in the other socialist countries as well.

Todor Zhivkov made it clear that he would not answer questions which he had not been asked during the preliminary investigation because he was "not prepared to answer them".

Zhelev Receives Soviet Envoy at Latter's Request

AU2602165591 Sofia BTA in English 1453 GMT 26 Feb 91

[Text] Sofia, February 26 (BTA)—Bulgaria's President Dr. Zhelyu Zhelev received Soviet Ambassador Mr. Viktor Sharapov at his request.

The two shared the view that the positive things in the changing Soviet-Bulgarian relations should be preserved in the interest and to the benefit of the two countries.

Mr. Sharapov thanked Dr. Zhelev for maintaining the practice to receive him every time he returns from Moscow.

SDS Voices 'Indignation' on Soviet Gulf Policy

AU2702114491 Sofia BTA in English 1119 GMT 27 Feb 91

[Text] Sofia, February 27 (BTA)—The most influential opposition force in parliament—the Union of Democratic Forces [UDF],— expressed its bewilderment and indignation over the stand expressed by Soviet President Mikhail Gorbachev on the recent military operations in the Persian Gulf.

To call it a change would be to put it mildly, the spokesman of the UDF, Mr. Mikhail Nedelchev, told the BTA late last night in connection with "the ever closer commitment of the Soviet Union to the fate of the Iraqi agressor".

This attitude of the Soviet leader has reminded us that the Iraqi armaments are mainly Soviet made and that Ba'th is a Socialist party, Mr. Nedelchev added.

BSP Announces Plans to Return Party Property

AU2602171791 Sofia Domestic Service in Bulgarian 1600 GMT 26 Feb 91

[Nina Spasova report on "regular news conference of the leadership of the Bulgarian Socialist Party" in Sofia on 26 February—recorded]

[Text] The news today concerns the property of the Bulgarian Socialist Party [BSP]. Blagoy Dechev, member of the Presidium of the BSP Supreme Council, announced at the news conference that the main criteria have been worked out which define the property necessary for the normal functioning of a party. These criteria are set out under five headings:

First, the party should have buildings for accommodating its central and territorial leaderships.

Second, clubs are needed for the primary party organizations.

Third, property is needed to enable the party to carry out printing, publishing, and propaganda activities; that is, publishing complexes.

Fourth, buildings and premises are needed for institutions and other organizations with ideological aims.

Fifth, property and movable property required for the party to carry out activities under the Law on Economic Activities.

After listing these main principles, Blagoy Dechev also gave the following information.

At the end of 1990, the property of the BSP was valued at 625 million leva, and this figure was reported to the Grand National Assembly. The property that will be returned to the state has a value of 370 million leva, which represents 59 percent of the value of the property held by the party at present. The evaluation of all the properties was made at their book value, as recorded in the accounts. In answer to a question why a market valuation was not made, Blagoy Dechev explained that, first, sufficient criteria were not available for establishing the market value and, second, the property would not be sold, but returned to the state.

Blagoy Dechev expressed the desire that the summary data should be agreed upon by the Coordinating Council of the Union of Democratic Forces and the other political forces.

Petkov BZNS Allegiance to Government Confirmed

AU2602154291 Sofia OTECHESTVEN VESTNIK in Bulgarian 21 Feb 91 p 4

[Interview with Milan Drenchev, chairman of the Nikola Petkov Bulgarian National Agrarian Union, BZNS, by Khristo Karlukovski; place and date not given: "Why the Nikola Petkov BZNS Supports the Government"]

[Excerpts] [Karlukovski] Can you describe the principles on which the Nikola Petkov BZNS is building its approach to Dimitur Popov's government? Would you define it as support, active assistance, or as a result of the necessity of granting objective political credit to the government?

[Drenchev] As soon as the Grand National Assembly was convened, we defined our own status as an opposition force ready to support any proposals stimulating the development of democracy and improving the country's political and economic situation. Guided by these principles, we even refrained from opposing Andrey Lukanov's government. Having refused to participate in it, we did not oppose any individual member of his

cabinet. In as far as the Lukanov government contributed to a progress of democratic processes we did not object to it. However, that particular government had to resign. We accepted the requirement for a new government likely to guarantee a normal transition to the construction of democracy in our country. We declared that no members of our party will participate in Dimitur Popov's cabinet, but we will support it. Nevertheless, we still object to the unusual price increase that seriously affects our people. I think that the government should clearly explain how hundreds of thousands of Bulgarian citizens with low incomes should survive under such circumstances. I am convinced that it is only a question of days, or weeks for the government to assume control over certain prices.

[Karlukovski] Do you approve of the deadlines set for local government elections and for the next parliamentary elections aimed at electing a regular National Assembly?

[Drenchev] In the recent past such deadlines seemed realistic. However, we wasted much time and missed several opportunities for adopting the relevant laws which should have been the prerequisited for the aforementioned elections.

[Karlukovski] Your statement actually seems to support arguments in favor of postponing the elections. Would this not be an additional opportunity (in terms of time) for Popov's government to consolidate its positiosn.

[Drenchev] As a matter of fact, we, namely the political forces, are consolidating the government through our support. However, it is true that the government needs more time to assert itself as an effective institution. If it conducts a correct policy, it will win the confidence of the public. It is natural that an extension of the deadline for the next elections would facilitate the government's efforts in implementing its program. The final objective of this program is to achieve public confidence.

On the other hand, we must admit that the Grand National Assembly in its present form is incapable of accomplishing the reform of our society. In saying this I have in mind the work of a future parliament whose membership will be less numerous, but which should be expected to adopt a whole package of reforms likely to guarantee democracy in Bulgaria. I am disturbed by the fact that the Grand National Assembly today is dealing with tasks it should not have assumed. It is willing to adopt bill after bill. This is correct, but it diverts us from the fundamental law, namely the Constitution. I regret that the mandate of the Grand National Assembly will be prolonged. [passage omitted]

[Karlukovski] The Nikola Petkov BZNS intends to hold its next congress in April 1991. The future congress will presumably shed a new light on your position as a political force within the Union of Democratic Forces [SDS] and will determine your role as a member of this organization. I presume that your congress will draft a new political line expected to reflect the role which the SDS is playing in Bulgarian society.

[Drenchev] We are a political organization which has adopted an unmistakable program regarding all major issues related to the people's lives, a program on which our party will base all its future activities. However, the SDS also exists as an opposition alliance, as the organization of the joint opposition forces. Hence, the important question, how the people will regard us as part of this joint organization—whether we will be considered as an individual force, or merely as part of the joint organization. We are waging a common struggle against an opponent which is still strong. The Bulgarian Socialist Party [BSP] is united in its efforts to survive and safeguard its own existence as a party—we should take this ambition into account. The BSP is strong because it is still in control of all political and economic structures in our country.

The Nikola Petkov BZNS is resolved to search for methods and forms of expression as an individual political force, to acquire the place it deserves as a political force. The question is whether the steps we intend to take in this direction are not likely to weaken the SDS, as a whole, which is our joint opposition force? This is a problem of concern, not only for us, but also for the other political forces within the SDS. From now on we must keep in mind the responsibility we are expected to assume in the country's future government. Our participation in a future government should be based on our own ideas, on our own program. To be prepared for all this we should test our own potential as a political force. In answering this question we should think about our own performance in a future parliament. This is the magic key we should find. We must preserve the SDS as our joint organization representing the opposition, but we should play our role in a future parliament in a realistic fashion, not with vain claims, insinuations, or haggling, but with our objective impact and influence in society. Our main concern should not be the extent of our influence, but only to speak the truth. [passage omitted]

Assembly Amends Decree, Facilitates Privatization

AU2702115391 Sofia BTA in English 1115 GMT 27 Feb 91

["Green Light to 'Small Privatization'"—BTA headline]

[Text] Sofia, February 27 (BTA)—Last night parliament gave effect to "small" privatization by passing amendments to the now operative Decree 56 on Economic Activity.

The decree now sanctions the sale of individual business establishments to state and municipal companies shops, restaurants, ateliers, workshops, petrol stations, warehouses and offices. The sales will take place only through auctions. The decisions will be made exclusively by the executive boards of the companies with the approval of

the government or the municipal councils. The proposal of the opposition MP's for the government to have a direct influence on privatization was voted down.

The possibility for a part of the remuneration to be paid in foreign currency was also excluded.

The funds obtained by the companies in the process of privatization will be distributed as follows: 30 percent will go to the state or municipal investment fund, 40 percent to the investment crediting of the companies or to setting up the company's own investment fund and 30 percent to serving the company's debt to the state.

But no decision was reached on the question concerning the part of the interest to be paid before profit taxation.

State and municipal companies do not have the right to transfer stocks and shares. After long debates the MP's agreed that these companies should pay turnover taxes, excise duties, rent taxes, customs duties and profit taxes. Companies in which the state and the municipality own over 50 percent of the shares will also pay a wage fund growth tax.

The decree prohibits the sale of real estate acquired by the state under the Law on the Expropriation of Large City House Property, adopted in 1947, or purchased under the government decree of 1976 of a similar content.

During the debates on the amendments to Decree 56 the MP's repeatedly stressed that this decree should no longer be patched up but substituted for new laws which would fully correspond to the economic reform.

Owners' Union To Help Recover Seized Properties

AU2602150691 Sofia BTA in English 1232 GMT 26 Feb 91

[Text] Sofia, February 26 (BTA)—The main purpose of the Union of Owners in Bulgaria is to help Bulgarian and foreign citizens recover the property seized by the Communists.

According to Mr. Dimitur Todorov, the union's chairman, the Union of Owners has 100,000 members but the people affected by the various nationalization laws and their heirs number more than a million and a half. Under the 1948 Large-Size Urban Real Estate Act, thousands of town houses, flats, offices, print shops, workshops, mills, oil-factories, etc. were expropriated. Part of the small shops and workshops were left to their proprietors as a source of livelihood till 1975, when under a Council of Ministers decree the owners were obliged to sell their property to the state for peanuts. The state bought property valued at 50,000 to 100,000 leva for only 700 to 800 leva. The decree has already been repealed.

The Union of Owners drafts applications to local authorities on behalf of former owners who want to recover their property before it is sold under the "small privatisation" programme.

Legal advisers with the union are very busy, seeing 50 to 60 people a day. Most of the owners or their heirs have the same problem: The documents proving their right of ownership are either lost or taken away or deliberately destroyed.

The Union of Owners supports the privatisation but argues that the privatisation act should be preceded by an ownership and confiscated property act, or the two acts should take effect simultaneously. The union believes that confiscated property should be returned to its owners before the beginning of the privatisation of state businesses built after 1944.

A much-discussed point is whether owners could be compensated at all, with the country's economy in a shambles. The union argues that the culprits for the third national catastrophe should be put on trial and that illegally acquired property: housing, weekend houses, cars, residences, etc. should be confiscated. "We should take action against the culprits for the third national catastrophe under the same laws which they used to put us on trial and take our property away," Mr. Todorov says. His bitterness is understandable—a qualified lawyer, Mr. Todorov spent 32 years in prisons and labour camps as a political prisoner and only came out after the fall of Todor Zhivkov's totalitarian regime on November 10, 1989.

After the passage of the new acts the union will help owners manage their property. The union has already established contacts with similar organizations in Germany, Spain, Poland, Hungary and Czechoslovakia and negotiated imports of equipment for private farms. The union will probably help owners get loans to resume production.

Commission on Komi Workers Strike Meets Popov

AU2602210691 Sofia Domestic Service in Bulgarian 2000 GMT 26 Feb 91

[Text] The tripartite commission, composed of representatives of the government, the Confederation of Independent Trade Unions in Bulgaria, and the Podkrepa Labor Confederation, which has returned from Komi, had a meeting with Mr. Dimitur Popov, leader of the government.

The commission briefed the prime minister on the talks they had with the labor collectives of the Timber Production and Construction Economic Trust and on the agreements reached on ending the effective strike actions. They outlined to the prime minister the problems that most urgently require solution.

Police Remove Pickets From Kurdzhali Schools

AU2602164991 Sofia BTA in English 1446 GMT 26 Feb 91

[Text] Kurdzhali, February 26 (BTA)—The regional directorate of the Ministry of Internal Affairs started lifting the pickets before the schools in town. The entrances were cleared. Most teachers reported to work.

In many places a growing number of parents have helped resume normal classes, insisting that their children continue their studies undisturbed.

The local prosecutor's office and the investigation department are taking steps to detect and initiate proceedings against people involved in the illegal actions.

Some investigative proceedings have already been instituted.

Hunger Strike Declared in Kurdzhali

AU2602210591 Sofia Domestic Service in Bulgarian 2000 GMT 26 Feb 91

[Text] In Kurdzhali, two groups of three supporters of the Christian Patriotic Youth Union and the Bulgarian National Radical Party pitched tents in front of the House of Culture and declared a relay hunger strike.

The strikers' demands are connected with the forthcoming experimental introduction of Turkish language teaching in Bulgarian schools.

Workers Continue Sit-In at Moscow Embassy

AU2602194291 Sofia Domestic Service in Bulgarian 1600 GMT 26 Feb 91

[Text] Today the sit-in continued in front of the Bulgarian Embassy in Moscow. Some 74 of our compatriots who were employed under an agreement with the GlavBulgarStroy Company declared today that the Committee for Defense of the Rights of Bulgarian Workers in the Soviet Union which has been formed will not cease its actions until the workers' demands are satisfied.

Our Moscow correspondent [name indistinct] visited the strikers today. Here is his report:

[Begin recording] [Correspondent] The Bulgarian workers traveled here in one bus and five private cars, which cannot be returned to Bulgaria because dollars are now needed after crossing the Romanian border. The workers themselves are unable to return home with their families and baggage, because one transport container now costs as much as two years gross salary for working in the region of the Kursk Magnetic Anomaly, where the degree of radiation is exceeded only by that at Chernobyl. They declare that their children at school have also been treated unfairly; it is evident that many of them are the offspring of mixed marriages. This is the only point in their demands in which they place the blame on the Soviet side.

They consider that the blame for the present situation lies in the indifference of the Bulgarian president, parliament, and the Bulgarian Government.

The protesters declare that if no understanding is shown toward their demands, they will not leave, because they have nowhere to go and no money. They are awaiting assistance from the Bulgarian leadership.

Furthermore, there are reports from Tyumen, Orenburg, and Surgut that the people there have found themselves in the same situation.

Ivan Kharalampiev, a representative of the committee, asked that this news should be conveyed to Sofia:

[Kharalampiev] If the problems detailed in our demands, which we have transmitted to the Bulgarian Government through the Bulgarian Embassy in Moscow, are not resolved, we declare outright that from tomorrow, Wednesday 27 February, we will all declare a hunger strike until our problems are solved.

[Correspondent] The staff at the embassy, where at the moment the situation is not very good, is trying to assist the workers as well as they can. I will only comment that the workers here in front of the Bulgarian Embassy in Moscow, where they can be seen by foreigners, have fallen into a truly serious situation. [end recording]

IMF Grants Oil Import Credit to Government

AU2602165191 Sofia BTA in English 1517 GMT 26 Feb 91

[Text] Washington, February 26 (BTA)—The International Monetary Fund released an official statement that Bulgaria is allowed to withdraw about 87 million U.S. dollars (60.6 million SDR's) [special drawing rights] from the IMF trust fund to make up for the expected rise in its oil import spending.

The statement says that during the past few weeks Bulgaria has taken a series of measures, part of which concern the power industry. Provided that appropriate conditions are created, the country will be entitled to another 47 million U.S. dollars from the IMF trust fund for the same purposes. The IMF Board of Executive Directors has expressed satisfaction with the economic measures undertaken by the Bulgarian Government.

It is pointed out in the statement that the rise in Bulgaria's oil import spending is due to the reduction by almost a third of Soviet oil imports in the second half of 1990 and due to the suspension of imports from Iraq. Bulgaria has limited oil reserves and was not able to make up for the cuts in its traditional imports by making deals with other countries.

The statement also emphasizes that it is the first time that Bulgaria, which joined the IMF on September 25, 1990, has been financed by the fund, which assigned it a quota of about 450 million U.S. dollars.

G-24 Grants Nation $800 Million Credit

AU2602194991 Sofia BTA in English 1842 GMT 26 Feb 91

[Text] Sofia, February 26 (BTA)—G-24 has decided to grant Bulgaria a 800-million-dollar credit for 1991; there is a possibility of getting an additional credit amounting to 200 million dollars at the very end of the year, the deputy chairmen of the Council of Ministers, Mr. Aleksandur Tomov and Mr. Dimitur Ludzhev, and the minister of finance, Mr. Ivan Kostov, told journalists in the parliamentary lobbies today. The Bulgarian Government learnt about this decision today.

This is the first serious international recognition for the Bulgarian reform, Mr. Aleksandur Tomov underlined. In his opinion the G-24 decision was probably preceded by a respective decision of the International Monetary Fund.

Deputy Prime Minister Dimitur Ludzhev also considers that the G-24 decision is an expression of the International Monetary Fund's approval of the economic programme of the Bulgarian Government and its letter of intent. Mr. Ludzhev said that the decision is of key importance for the success of the reform started in the country.

The amount will be used to stabilize the monetary market; it is a guarantee that arrangements can be made for the exchange of leva against dollars; it is also a guarantee that the present high currency exchange rate of the dollar against the lev will drop and that there will be a gradual transition to partial convertibility of the lev, Mr. Ludzhev pointed out.

Deputy Prime Minister Tomov expects that Bulgaria will receive part of the credit within few weeks, which, in his opinion, will bring about a drop in the currency exchange rate of the dollar against the lev, a decrease of interest rates and normalization of prices. If it really happens, we can say the reform has made a successful start, Mr. Tomov said.

The G-24 decision has yet another aspect—it gives ground to expect that the servicing of Bulgaria's foreign debt will be rescheduled and that the negotiations with the bank-creditors on the problem will be stepped up, Deputy Prime Minister Tomov said.

Official Comments on Status of Soviet Withdrawal

LD2602224591 Prague Domestic Service in Czech 1430 GMT 26 Feb 91

[Text] A mixed legislative commission supervising the withdrawal of Soviet troops visited Mlada Boleslav. During the visit, Major General Svetozar Nadovic, chief of the Ministry of Defense Directorate for the Supervision of Soviet Troops Withdrawal, drew attention to the fact that only a small percentage of Soviet soldiers now remain in Czechoslovakia. Asked about the progress of meeting the withdrawal schedule one year after signing the Czechoslovak-Soviet agreement, he noted that almost all combat units of the Central Group of Soviet Forces had withdrawn by 19 February.

General Staff Briefs Havel on Pact, NATO

LD2602182991 Prague Domestic Service in Czech 1300 GMT 26 Feb 91

[Text] Vaclav Havel, president of the Republic and commander in chief of our Armed Forces, visited the operational room of the general staff of the Czechoslovak Army in Prague today. Discussing the content of the session, he said that the processes of restructuring the Czechoslovak Army, our international security ties, and the Warsaw Treaty and the North Atlantic Treaty were discussed there. As Vaclav Havel further stated, he did not discuss with the Army command the problem of a possible transfer of Soviet troops from the former German Democratic Republic across our territory.

Defense Minister Lubos Dobrovsky added that during his visit to the general staff, the president was briefed on the progress of Army reorganization and on the progress of redeployment. He was also briefed on operational defense plans. Some issues which the president had been interested in before his visit to Brussels, where he will address the Council of the North Atlantic Treaty, were also covered.

Asked if our other military relations with the Soviet Union after the dissolution of the Warsaw Pact military structures had also been discussed with President Vaclav Havel, Defense Minister Lubos Dobrovsky replied we have not discussed the military relations with the Soviet Union, but a need to establish bilateral intergovernmental agreements. It is quite natural that among the states with which these bilateral agreements would be concluded the Soviet Union was one of those who would have priority, as would all the neighboring states.

No Arms Supplied to Iraq Since 1988

LD2602133391 Prague CTK in English 1123 GMT 26 Feb 91

[Text] Prague Feb 26 (CTK)—Czechoslovakia has not been delivering arms to Iraq since 1988, Czechoslovak First Deputy Foreign Trade Minister Jiri Brabec told the Defence Ministry weekly OBRANA LIDU.

Iraq owes Czechoslovakia a total of 606 million dollars says Brabec. Arms did not account for the bulk of Czechoslovakia's exports to Iraq, they made up less than half of the total.

Brabec says: "In 1986, an intergovernmental agreement was signed on supplies of so-called special technology. Because Iraq did not pay, they were ended in 1987, and in 1988 only some spare parts were exported so that the credit was used only up to the value of 260 million dollars."

According to Brabec, Czechoslovakia does not deliver any arms to the Arab region at present. "Yet I do not want to rule out that, if asked, Czechoslovakia will not help with arms supplies to some countries which support U.N. resolutions in the conflict with Iraq", Brabec says. The sale of Tatra lorries to Saudi Arabia is already under way and preliminary talks are held on further deliveries, Brabec says. [sentence as received]

List of Chemical Warfare Agent Producers Reported

AU2602155691 Prague MLADA FRONTA DNES in Czech 21 Feb 91 p 2

[Josef Tucek report: "Czechoslovak Yperite"]

[Text] In the Military Repair Plant in Zemianske Kostolany in Prievidza district [Central Slovakia] is a building in which chemical warfare agents are produced. The annual production is 5.9 kg sarin, 1.4 kg soman, 3 kg tabun, and 1.25 kg of another nerve-paralyzing agent, VX. They also produce 158.77 kg yperite and 1 kg lewisite annually. As these small quantities indicate, these agents are produced for research purposes. It is because of this research that, for example, the Czechoslovak soldiers in the Persian Gulf are currently equipped with effective antitoxins to be used in the event of a chemical attack. The important part of this is, however, that our Army openly gives information about the production. During the talks on the limitation of chemical warfare in Geneva several days ago, Czechoslovakia even submitted a list of all plants in which dangerous chemicals originate. Among the enterprises listed are Rubena Nachod (0.256 kg yperite), for instance, or Galena Opava (70 kg phosgene). Our country was the first to pass onto other states a precise list of all these factories and agreed to verifying inspections. It is a good initiative step at the disarmament talks in Geneva, which contributes to our reputation in the world.

Government's IMF Requests, Undertakings Outlined

AU2602181191 Prague HOSPODARSKE NOVINY in Czech 22 Feb 91 p 3

["(JM)" and "(VT)"-signed report: "Not Only Loans, but Also Obligations"]

[Text] For the first time the Czechoslovak State Bank has shown us the documents submitted to the International Monetary Fund in connection with our acceptance into this institution. Because these documents contain interesting information with a high informative value, we

envisage that we will gradually return to the majority of them. Today we are publishing the first brief figures on the amount we requested from the IMF and on expected developments in our foreign debt.

The Czechoslovak Government has requested a 14-month stand-by loan amounting to 619.5 million special drawing rights (one special drawing right is roughly 39 korunas) along with risk financing amounting to 147.5 million special drawing rights due to further oil price increases. Apart from this, the government has requested—in view of the considerable increase in the cost of importing oil—compensatory financing amounting to 483.8 million special drawing rights from the compensatory and risk fund for importing oil. In the event that oil prices are higher than envisaged, this framework could activate the so-called external factor mechanism relating to the price of oil. In the event that oil prices are substantially lower than expected, we could use the situation to accumulate reserves or to reduce foreign currency purchases from the IMF.

Among other things, in its request the Czechoslovak Government has pledged to consult with the IMF on the adoption of supplementary measures in the financial policy and foreign economic policy spheres should gross official reserves fall considerably below the level of the designated index. Apart from this, in cooperation with the IMF, it will implement two reviews of economic development and economic policy; the first will be implemented before 15 May 1991 and the second before 15 October 1991.

In its memorandum on economic policy sent to the IMF, the government envisages that in 1991 the balance of payments current account deficit will come to $2.5 billion. Along with the inflow of private capital and loans on the capital market, it is expected that the difference will be financed from sources officially supporting the balance of payments, including support from the IMF, the EC, and the World Bank. A substantial part of IMF resources is aimed at making it possible to increase gross official foreign currency reserves from the current low level of $0.9 billion (three weeks of 1991 imports) to $2.3 billion (1.7 months of 1992 imports).

The foreign debt in convertible currencies, including IMF loans, should—according to the plan—reach $12 billion or 37 percent of the gross domestic product by the end of 1991. Debt service should amount to approximately 11 percent of revenue from the balance of payments current account in 1991.

Federal Assembly Passes Privatization Bill

LD2602235191 Prague CTK in English 2028 GMT 26 Feb 91

[Text] Prague Feb 26 (CTK)—The Czechoslovak Federal Assembly approved today the bill on conditions of transferring state property on other persons i.e. the bill on big privatization.

The law enters into force on April 1, 1991.

After nearly four hours the Federal Assembly deputies decided that the property owned by the churches, orders, congregations and religious societies before February 25, 1948 will not be subject to the privatization law. They also decided to set up a federal fund of national property.

Czechoslovak Finance Minister Vaclav Klaus spoke last week of five spheres which the law includes:

First, projects which are subjects of privatization, they are within the powers of the republics.

Second, fund of the national property—during the privatization process it will represent the state as the seller. It is not a subject of business as it has primarily the transformation function.

Third, privatization methods. The standard method means that first an enterprise will be restructured and estimated and then offered for sale. The aim is maximum profit and this method will be used where ever possible. The method considered non-standard means investment coupons. Without their introduction privatization could not be realized speedily.

Fourth, relations between big privatization and restitution. Only explicitly state property will be subject to privatization.

Fifth, powers—in the overwhelming majority of cases big privatization will be carried out at the level of republics.

Jewish Community Issues Protest, Demands Apology

AU2702134991 Prague CTK in English 1529 GMT 25 Feb 91

[Text] Prague Feb 25 ( )— The Federation of Jewish Communities in the Czech Republic has protested against statements of two deputies in the parliamentary debate on the law on restitutions and demanded that they apologize in public, Deputy Chairman of the Federation Jiri Danicek told CTK today.

The deputies of the Chamber of Nations Klara Samkova and Rostislav Senjuk recommended that the return of church property be not included in the bill. According to Danicek they justified their recommendations by saying that it would also concern the Jewish religious community, which is supposed to take advantage of the law and take cultural relics out of Czechoslovakia. Moreover, Samkova said that she and Czechoslovak Deputy Prime Minister Jozef Miklosko share the opinion that this danger results from an agreement between the Jewish Museum, the Jewish religious community, and the Israeli Embassy, Danicek said.

The Federation of Jewish Communities issued a statement saying that this represents a dangerous attempt to label the Jews as second-rate citizens whose rights have

to be restricted by a special decree. "We ask Czechoslovak Deputy Prime Minister Jozef Miklosko to say clearly whether Samkova's statements have a real ground," the federation says.

Movement Calls For One Constitution

AU2702091891 Bratislava PRAVDA in Slovak 25 Feb 91 p 3

[CTK report: "Czech-Slovak Accord With One Constitution?"]

[Text] Luhacovice—The two-day long nationwide assembly of the Movement for Czech-Slovak Accord ended in Luhacovice yesterday. Participants propose drafting one Czechoslovak constitution, electing one legislature, and establishing one government, which does not have to be situated in Prague. The members of the Movement for Czech-Slovak Accord adopted new statutes and issued a declaration in which they call on legislative bodies to present their proposals for organizing a public discussion on the legal and constitutional arrangement. At the end of the meeting, the assembly adopted the movement's policy program emphasizing the unity of the Czechoslovak state and the propagation of the ideas of understanding among all people. The movement decided to join the Assembly of Parties, Movements, and Associations in the CSFR.

Dlouhy Joins Interparliamentary Right-Wing Club

AU2602162691 Prague RUDE PRAVO in Czech 21 Feb 91 p 5

["(ZR)"-signed report: "V. Dlouhy Shifts His Position"]

[Text] Prague—CSFR Economy Minister Vladimir Dlouhy—who until December 1989 was a member of the Communist Party of Czechoslovakia—has announced that he has joined the Civic Forum Interparliamentary Club of the Democratic Right. Why has he waited until now? "I came to the conclusion that in today's political situation, it is necessary to present a clearer political profile of myself before Saturday's [23 February] Civic Forum assembly," he said regarding his decision.

In reply to a question on how his participation in Sunday's [17 February] informal meeting between supporters of a freer Civic Forum structure and current opponents of V. Klaus held in the former Laterna Magika building influenced this step, he claimed that his presence there was of a purely "informative" nature.

During the past 15 months, V. Dlouhy has refused to explicitly state which Civic Forum wing he belongs to. Some of his speeches have indicated unreserved support for V. Klaus, while on other occasions he has opportunistically supported Liberal Club members.

Communist Statement on '48 Putsch Anniversary

AU2602145991 Prague CTK in English 1829 GMT 24 Feb 91

[Text] Prague Feb 24 (CTK)— The Federal Council of the Communist Party of Czechoslovakia today said that in the plurality of political and ideological streams in society there will always be different and even controversial attitudes to February 25, 1948, when the communists came to power.

In a statement issued on the 43rd anniversary of what Czechoslovak President Vaclav Havel today described as a coup (see our item "Havel-radio"), the communists said that in February 1948 an overwhelming part of the Czechoslovak public rejected the bourgeois system of the pre-Munich republic (1918-1938) and the international political orientation which failed in 1938 to ensure Czechoslovakia's state sovereignty. (In September that year, Britain, France, and Italy signed the so-called Munich Agreement with Hitler which led in its effects to the disintegration of Czechoslovakia and occupation of the Czech lands.)

According to the statement, "ideals of a just democratic society were gradually deformed in the conditions of cold war.... Negation of democracy in socialism combined with the ill-judged nationalization of the economy have proved to be a profound historical error."

The statement says the fact that 41 years later, in November 1989, people took to the streets with almost identical calls for freedom, democracy, humanity, justice, and social development means no tragedy of democratic socialism. In November 1989 people rejected a deformed model of society, entirely different from the ideals of their fathers and grandfathers, the statement adds.

The November 1989 revolution led to the fall of the communist regime.

Demonstration Against Communists in Certain Posts

AU2702133391 Prague CTK in English 2108 GMT 25 Feb 91

[Text] Prague Feb 25 (CTK)—About 5,000 demonstrators demanded at Prague's Wenceslas Square this afternoon the debolshevization and destruction of the monopoly of the mass information media in Czechoslovakia.

More than twenty speakers denounced the present Czechoslovak reality, especially the slow pace of removing former and present communists from leading political and economic posts.

At Prague's Old Town Square, about 2,000 people held a demonstration on the occasion of the February 25, 1948 anniversary.

The speakers called for the recognition of the anticommunist resistance, said they were preparing an alternative

economic reform based on the ideas of Czech-born American economist Professor Milan Zeleny and sharply criticized the present political situation in Czechoslovakia.

Sladek's Republicans Hold First Regular Congress

AU2702085291 Prague ZEMEDELSKE NOVINY in Czech 25 Feb 91 p 2

["pen"-signed report: "Leader Reelected"]

[Excerpts] Prague— Just like last year's constituent congress, this year's first regular congress of the Association for the Republic—Republican Party of Czechoslovakia [RSC] was held on the eve of the anniversary of 25 February 1948. Displaying a sense of the dramatic, Dr. M. Sladek, the reelected party chairman; J. Kohut and J. Cop, deputy chairmen; J. Vik, party secretary; and F. Vajtr, head of the party secretariat met the press Sunday [24 February] night, immediately after the congress, not in the inappropriate Red Hall of Obecni Dum [Community House] but in its Blue Hall. As has become a tradition, Dr. Sladek was the only one speaking in the party's name, apart from Mr. Vik, who acted as moderator.

Because journalists supposedly report on the RSC in a tendentious manner, there was no interest in their presence at the congress. We therefore cannot but believe Dr. Sladek that the congress of this "only political party that holds together from As [in West Bohemia] to Kosice [in East Slovakia]" was attended by 250 regularly elected delegates from the whole Czechoslovakia. [passage omitted]

According to the opinion of the RSC congress, the present state leadership has demonstrated in both economy and policy its inability to lead the state. [passage omitted] Dr. Sladek said that his party is doing everything it can for new legislative elections to be held by the end of the first half of this year. It will supposedly win between 10 and 15 percent of the vote in these elections. When the ZEMEDELSKE NOVINY correspondent asked what specific steps, apart from "cleaning out the muck," the RSC would take as a government party, he was told that it would claim the "unimportant ministries" of interior and defense. Dr. Sladek was, however, very vague in sketching the economic and other intentions of his party.

On the other hand, he confirmed quite unequivocally that he expects much from the 500,000-strong army of the unemployed, with which he reckons in midyear. "There will be many people who will have nothing proper to do and who will be able to demonstrate from 1000 in the morning...." Supposedly, Dr. Sladek's party is already filling halls in the countryside with its supporters and it knows how to organize demonstrations, a method of struggle with the government that it regards as a fully democratic expression of the citizens' will.

Federal Government Holds Session on Fuel Prices

LD2602104491 Prague Domestic Service in Czech 1730 GMT 25 Feb 91

[Excerpts] The federal government concerned itself at its session today with the proposal of the Federal Ministry of Finance for the adjustment of the prices of fuels and heat energy for citizens. Miroslav Dittrich and Barbora Tacheci report:

[Tacheci] According to the federal government proposal approved today, the retail prices of solid and gas fuels and heat energy should be increased at one time on 1 May this year. The amounts are as follows: brown coal by 234 percent, coke by 246 percent, natural gas by 134 percent, town gas by 64 percent, and heat energy from distant sources by 324 percent. At the same time, the monthly compensatory benefit will be increased by 50 korunas [Kcs] children and by Kcs80 for pensioners.

The republican governments, naturally, must also agree to the federal government proposal. Vladimir Rudlovcak, deputy federal minister of finance, however, was optimistic in this area. Asked what reaction he expects from tomorrow's meeting of the Tripartite Council to the abolishment of subsidies on the prices of fuels and energy, Petr Miller, minister of labor and social affairs, said that the general agreement does not concern prices, and therefore the federal government is not obliged to respect any price demands of the trade unions. This is all the more so because subsidies on retail prices of fuels and heat energy should originally have been abolished from the beginning of this year. The state budget therefore did not include them, and it will therefore pay out an unplanned sum of more than Kcs5.5 billion up to the beginning of May. This will most probably come from the planned surplus.

We will also have to give a lot of explanation to the International Monetary Fund concerning the circumstances of the abolishing of subsidies on fuels and heat energy that was postponed several times, said Deputy Minister of Finance Rudlovcak. This is because in doing this we did not in fact keep to our intended and agreed upon budget policy.

The federal government will close the whole issue of price increases of fuels and heat energy, including compensation measures, at its next session.

[Dittrich] [passage omitted] The government also evaluated the draft bill on adjustment of ownership relations concerning land, which was presented by a group of deputies of the Federal Assembly, and expressed disagreement with it. In addition to containing a number of legislative shortcomings and ambiguities, the proposed amendment on restitution demands and the whole concept of transformation of agricultural cooperatives associated with it represents such a serious change in agriculture and food production that it is impossible to exclude negative consequences on the food market. Apart from this, the government proposes that the issue

of the legal changes concerning Czechoslovak cooperative farming should be solved in a comprehensive manner in a different legal regulation.

The government also expressed disagreement with a proposed draft bill on land, property, and enterprises in agriculture and the food industry that was introduced by another group of deputies of the Federal Assembly. This is because questions of the privatization of the state enterprises in agriculture and the food industry are the subject of a government draft bill on the transfer of state property into private ownership, and the legal adjustment of agricultural cooperatives is dealt with in a different regulation.

Petr Miller, federal minister of labor and social affairs, spoke at today's news conference about the problems of the minimum wage. As you know, the minimum wage for those who work according to wage tariffs was set at Kcs10.80 per hour and for those who receive a monthly salary at Kcs 2,000. The problem is that these wages should increase at the rate of the cost of living, but as Minister Miller said, they would have to return to this problem again because it is possible that there would be insufficient funds for such increases.

Economy Ministry's Plans for Coal Mining Outlined

AU2602174291

[Editorial Report] Prague HOSPODARSKE NOVINY in Czech on 22 February on page 4 carries a 2,400-word Dagmar Truncova article entitled "Coal—Still an Important Source of Power." The article, which is based on the author's interviews with Engineer K. Kopecny, a Federal Ministry of Economy coal mining expert, and Engineer P. Paukner, commercial director of the Metalimex foreign trade enterprise, discusses the prospects of coal mining in Czechoslovakia and the world.

According to Truncova, Czechoslovakia produced 22.4 million tonnes of bituminous coal and 83.7 million tonnes of brown coal in 1990 and coal covered 63 percent of the country's energy requirements. Of the 106 million tonnes of coal produced in 1990, 101 million tonnes were extracted in Bohemia and Moravia and only about 5 million tonnes in Slovakia, in the area of Prievidza. Kopecny expects that the importance of coal in Czechoslovakia's energy balance will decline but that in the year 2005, coal will still meet between 45 and 50 percent of the country's energy requirements. In Kopecny's opinion, this will make it "necessary to retain coal output at a minimum of 60 percent of its present volume, especially in the North Bohemia and Sokolov basins." Coal output in the North Bohemian basin, for example, is expected to decline from the present level of 60 million tonnes a year to around 40 to 45 million tonnes by the year 2005. Because of their higher production costs, the Ostrava-Karvina, Kladno, and Prievidza basins will be affected by the planned reduction of coal output more severely than North Bohemia.

P. Paukner is quoted as having told HOSPODARSKE NOVINY that Czechoslovakia has reduced its annual exports of bituminous coal from around 4 million tonnes to only "slightly over 1 million tonne" in 1990, because of reduced output in the Ostrava-Karvina coal basin. Apart from bituminous coking coal, Czechoslovakia exports also around 2 million tonnes of brown coal annually. This coal is used to power two power stations in the FRG. These exports will continue as the contract with the FRG partner will expire only in 2005. According to Paukner, Czechoslovakia's coal and coke exports for convertible currencies fetched $130 million in 1990. On top of this, Czechoslovakia also exported 168 million korunas worth of coal and coke to the "ruble area" last year.

Tosovsky Comments on Credit Situation, Insolvency

AU2602135491 Prague HOSPODARSKE NOVINY in Czech 21 Feb 91 pp 1, 2

[Marcela Doleckova report: "Currency Policy of the Czechoslovak State Bank in 1991; Restrictive Strategy Continues"]

[Text] The Czechoslovak State Bank will apparently give all legal entities a chance to arrange for loans abroad. This might compensate somewhat for the much slower inflow of foreign capital than originally expected.

This idea was voiced by J. Tosovsky, Czechoslovak State Bank chairman, at yesterday's press conference, which focused mainly on the ever-increasing tension between the economic units and the banking sphere. The banks are practically accused by the enterprises of causing all their problems and, above all, of causing their insolvency. J. Tosovsky emphasized that the currency policy of the bank of issue follows from the economic reform scenario, it is compatible with the government economic policy, and the enterprises must get used to the fact that at this time the banking system controls the mechanism of redistribution of the resources in the economy.

J. Tosovsky described inflation control as being the short-term macroeconomic priority. So far, the tendency of prices to increase has not stopped, and therefore the central bank cannot consider the development policy of soft credits. The state bank is enforcing the precise level of the restrictive policy, which would neither act as an impetus for inflation nor will it restrain the able ones. J. Tosovsky indicated that the banking sphere is considering a possible selective application of the restrictive policy: While the enterprises without prospects will have their credits further limited, the banks could be more magnanimous to promising enterprises. Of course, the selection is difficult, and it is not certain that it will be possible to go this road.

Despite a variety of inherited problems, the enterprises insolvency is not simply a consequence of the restrictive credit policy but a result of the conduct of the enterprise. On the part of the banking sphere, the enterprises' difficulties will be dealt with at least partially by the so-called "Operation TOZ" [trvale se obracejici zasoby—

permanently maintained stock] (HOSPODARSKE NOVINY described this step in detail on 18 February), settlements based on mutual outstanding debts are also being considered (The Commercial Bank realized this type of settlement in one case at the end of last year), and to simplify the situation, the Czechoslovak State Bank is contemplating the possibility of giving the enterprises an opportunity to open capital accounts. In other words, the enterprises would be able to borrow from foreign banks. The Czechoslovak State Bank would keep some control in its hands to prevent the foreign debt from exceeding permissible bounds. Nevertheless, it believes this action to be promising. At this time, three dozen foreign banks as well as several financial institutions have already opened offices in the CSFR and one can expect that through them the Czechoslovak enterprises will be able to find some lenders abroad. Of course, the Czechoslovak enterprises will not be able to request that the state guarantee the eventual credit. Hence, it will depend on their position alone whether the potential foreign participant finds it satisfactory enough to accept the risk.

This year, the banking sphere will increase the amount of credits provided to the enterprises and to the public by the maximum of 20 percent, and 9 percent of this increase will be provided in the first quarter. Nominally, it is a record growth (136 billion korunas) but it is somewhat less in real terms. Speaking about the rate of interest, the Czechoslovak State Bank chairman emphasized that the interest rate may be high nominally, but it is the lowest ever in real terms because inflation is about 30 percent, while the average interest rate is only about 20 percent. J. Tosovsky stressed that the secondary insolvency of the enterprises is not the bank's business: It is up to the enterprises whether they will continue producing for partners who do not pay. On the topic of the agricultural sphere, he said that it suffers on the one hand by the absence of a clear state agricultural policy, and on the other by an apparent crisis caused by overproduction.

The most significant shortcoming of the progress of the economic reform per se, according to the central bank chairman, is the significant delay of the big transformation law: It was supposed to have been adopted by the legislature at the end of last year, the transformation process was to begin in January, and it should have been accompanied by an expected inflow of foreign capital. He added that the price the Czechoslovak economy will have to pay for this hesitation and obfuscation apparently will be too high.

Klaus Delivers Speech at Civic Forum Congress

AU2602150991 Prague CTK in English 1333 GMT 23 Feb 91

[Text] Prague Feb 23 (CTK)— Civic Forum (OF) Chairman Vaclav Klaus told the movement's special congress here today a split is the only solution to the situation which has developed within OF over the past months.

According to Klaus the Civic Forum, lacking any explicit program and political initiative has started to endanger solution of Czechoslovakia's fundamental political problems. "A policy without a concept, based mainly on concessions, excessively hampers the implementation of the economic reform and can even lead to a split in the whole country," the OF chairman said.

The special congress of the Civic Forum, the strongest federal government coalition partner and the most influential force in the Czech lands, was convened in order to deal with the appearance of several streams within it which is a result of polarization of opinions within it. Created spontaneously during the November 1989 revolution, which led to the fall of the communist regime in the country, the Civic Forum provided a broad platform for views ranking from right to left.

"After the January (1991) OF congress, when a majority of us gave support to turning the movement into a party... we hoped the period of a certain political impotence of OF, a period of subjectivism and voluntarism... is over," Klaus said, adding that "unfortunately, this expectation of a majority of us has not materialized."

At a meeting of officials representing the two main streams within OF, the Democratic Right and the Liberal Club, organized by Czechoslovak President Vaclav Havel February 10, it was agreed that OF would split into two parts.

Meanwhile, those opposed to the liquidation of the Civic Forum as a broad association of politically diverse groups have joined to form an "Initiative for the Preservation of OF as a Movement."

In an apparent rejection of such attempts, Klaus said that the essential transformation of the free political movement should contribute to the formation of a standard political system based on the existence of clear-cut defined political parties. Afterwards, the Civic Forum would be dissolved, Klaus said.

For the time being, Klaus said, two new political subjects would be created within the Civic Forum which will enter a firm coalition until the elections. The two subjects will be defined at their constituent congresses and none of them will have the right to use the name and sign of OF, Klaus said. The name of Civic Forum will be used exclusively by the Coordinating Committee which will consist of equal numbers of representatives of both groups. The property of the Civic Forum at the central level will be halved.

Klaus expects one of the groups to be a modern democratic political party with a structure and program of Western European parties. He admitted every Czechoslovak citizens will be allowed to join it.

The other part will be a broader political movement which will probably be more tolerant to its internal differentiated currents and to social democratic ideas, the OF chairman said.

Debate on Media Erupts

AU2602153691 Prague CTK in English 1645 GMT 23 Feb 91

[Text] Prague Feb 23 (CTK)— Chairman of the Civic Forum (OF) Interparliamentary Club of the Democratic Right Daniel Kroupa today backed OF Chairman Vaclav Klaus in his criticism of the mass media's part in the complex situation within the movement.

Kroupa, a deputy to the Czechoslovak parliament, said at the OF special congress here today that "by having given excessive scope to extreme attacks by one side on the other instead of carrying objective information on the real state of differentiation of views, the mass media have adversely affected the situation in the Forum."

In his speech at the congress today, Klaus said that "a special role (in challenging the conclusions of the previous OF congresses) has been played by the state mass media, especially CTK and television in which managing posts are held by members of that OF group which disagrees with the present developments in OF and which has not endorsed the results of the latest congresses."

Chairman of the OF Liberal Club Pavel Rychetsky voiced the conviction that "responsibility for the situation (in the movement) rests solely with the Civic Forum itself. This does not mean that the media would not differ in their commentaries on the situation in OF... What we are lacking is political culture and its absence is the cause of the present situation in OF."

Member of the Interparliamentary Club of the Democratic Right Vladimir Dlouhy said that "the media undoubtedly give priority to one stream within OF" and often carry unobjective information not only on political, but also economic life.

OF deputy to the federal parliament Rudolf Battek said: "I consider it (blaming the media) to be a goal-orientated political nonsense."

Rychetsky, Dienstbier on Congress

AU2602154391 Prague CTK in English 1702 GMT 23 Feb 91

[Text] Prague Feb 23 (CTK)— Czechoslovak deputy prime minister [Rychetsky] said in debate at today's special Civic Forum (OF) congress here that OF split followed by its dissolution would be disastrous.

Rychetsky, who heads the OF Liberal Club, supported the agreement from the meeting of OF officials with Czechoslovak President Vaclav Havel on February 10 under which OF would split into two parts, one organized along party lines, the other having a looser structure. These would then combine to form a firm coalition until the parliamentary elections due by the end of June 1992.

According to Rychetsky, differentiation of views within the movement is logical, but the Civic Forum must live up to its voters.

OF won a landslide victory in the June 1990 parliamentary elections in which it ran as a broad-based movement.

One of the spokesmen for the Civic Forum (OF) Liberal Club, Jiri Dienstbier, said at the OF congress today the proposal from the February 10 meeting at Lany to split the movement into two parts which would form a coalition offers a good solution to OF's difficulties.

He sees the main causes of the OF crisis in its concentration on internal problems only. But "the public do not want us to waste energy on internal disputes of a movement to which they gave their votes (in the last June elections).... The aim of this present meeting is to terminate discords so that we may at last work on new legislation, administration of towns and villages, management of offices and institutions," Dienstbier said.

Congress Decisions Reported

AU2602154691 Prague CTK in English 1952 GMT 23 Feb 91

[Text] Prague Feb 23 (CTK)— The special congress of the Civic Forum [OF] today approved new OF rules under which OF remains a political movement. They replace those of September 1990.

Newly the rules stipulate that Civic Forum members will be organized within it through two of its collective members, i.e. the Civic Forum will have two independent political subjects under an umbrella body, the Coordinating Committee.

One of the two collective members of OF is a grouping of the movement's followers who respect the initial political program of OF and the principles of its organizational structure as they were approved by the OF congress last January and who will constitute themselves into a political party.

The other subject will consist of OF followers who will constitute a civic political movement with both individual and collective members. None of the two collective members will be allowed to use the name and sign of the Civic Forum. The sign will be used by the clubs of OF deputies to legislative bodies at all levels until their mandates cease to exist.

The OF sign will also be used by the OF Coordinating Committee which will have the right to deal with matters of common interest to both OF collective members. Each of these two will delegate five members to the OF body which will also coordinate the two members' approach in fulfilling the election program and in settlement of property questions.

The Civic Forum as a political movement will cease to exist at the latest on the day of the beginning of the pre-election campaign for parliamentary elections due by the end of June 1992.

The Slovak coalition partner of the Civic Forum decided at its congress today to remain a political movement, not split into any streams.

OF Council Begins 'Intensive Reorganization'

LD2602232991 Prague Domestic Service in Czech 1730 GMT 26 Feb 91

[Text] The Civic Forum Council, which is still in existence, today decided to immediately begin an intensive reorganization of its Coordination Center. According to Vojtech Sedlacek, head of the Coordination Center who is instructed to carry out the reorganization, some of the employees of the apparatus of the Civic Forum coordination center will gradually be transferred either to the secretariat of the Civic Democratic Party or the Civic Movement. The rest of the personnel will leave. Neither of the groups expressed an interest in the Civic Forum newspaper, OBCANSKY DENIK. The future of the FORUM weekly should be discussed tomorrow.

Liberal Delegates to New OF Umbrella Body Named

AU2702110291 Prague HOSPODARSKE NOVINY in Czech 25 Feb 91 pp 1,2

["ms"-signed report: "The Movement Is Dead, Long Live the Movement"]

[Excerpt] [passage omitted] [At its meeting in Prague held after the Civic Forum (OF) extraordinary assembly] The Preparatory Committee of the Civic Movement [one of the two groups organized within the Civic Forum after its split] has selected five delegates to the Preparatory Civic Forum Coordinating Committee: Milada Masatova, deputy to the Czech National Council; Pavel Rychetsky, federal deputy prime minister; Martin Bursik, deputy to the Czech National Council; Lubor Kinst, former Civic Forum first deputy chairman; and Jiri Soukup, deputy to the Federal Assembly.

Audit of OF Finances Reflects Power Struggle

AU2602131291

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 21 February and Prague RUDE PRAVO in Czech and Bratislava SMENA in Slovak on 22 February publish items dealing with an ongoing investigation into financial irregularities in the Civic Forum Coordinating Center, initiated by the Civic Forum Council. This investigation, which is being carried out by employees of the Federal Ministry of Finance, is interpreted as an attempt by Vaclav Klaus' faction of the Civic Forum to discredit the movement's founders.

Prague MLADA FRONTA DNES on 21 February on pages 1 and 2 and Bratislava SMENA in Slovak on 22 February on page 1 publish separate correspondents' interviews (of 500 words each) with Michal Faflik, a staff member of the Civic Forum Coordinating Center. In the MLADA FRONTA DNES interview, Faflik says that he decided to "break the vow of silence on the situation within the Civic Forum" because he believes that the current activity of the Civic Forum Council is "aimed at liquidating the Civic Forum as such." He cites as an example the current "in-depth analysis" of the Civic Forum Coordinating Center's finances, ordered by the Civic Forum Council. He says that the auditors' attention focuses on the "period immediately after the revolution" when it was impossible to keep a record of all revenues and expenditures. He calls it "self-evident" that no one paid heed to financial regulations in the days of the revolution and believes that "the whole operation is aimed at discrediting the beginnings of the Civic Forum when it was headed by people who now constitute the leadership of the government team. My impression is that they are even collecting material against the president." In the SMENA interview, Faflik accuses the "followers of Vaclav Klaus" of having initiated the above investigation with the aim of "provoking a legislative and government crisis and calling early elections." The SMENA interviewer interprets the examination of the Civic Forum Coordinating Center's books as evidence that "the agreement of Lany to bring about the Civic Forum divorce without scandals and in a more or less friendly atmosphere was merely a pious wish."

The MLADA FRONTA DNES interview with Michal Faflik is followed by a 100-word reaction by Milan Kondr, Civic Forum deputy chairman. Kondr says that the aim of the investigation is to analyze the Civic Forum Coordinating Center's finances from the time of the movement's founding up to the present and asserts that the operation "is not directed against anyone." He deplores the fact that "Mr. Faflik informed the public about the investigation at a time when it only started and when its conclusions are not known." Kondr also accuses the staff of the Civic Forum Coordinating Center of "not showing too great a willingness to cooperate" with the auditors.

Prague RUDE PRAVO in Czech on 22 February on page 2 carries a 500-word Vladimir Divis article on the above affair, entitled "Why an Affair on the Eve of the Assembly." The article contains a brief interview with Civic Forum spokesman Vladimir Zelezny, in which he defends the examination of the Coordinating Center's finances, arguing that its aim is to "improve financial management." At the same time Zelezny expresses his "outrage" at the fact that the examination "concentrates on the initial period of the revolution" when the Civic Forum was led by Vaclav Havel. In his article Divis mentions that J. Kovar, the head of the team of auditors, is "one of the closest collaborators of V. Klaus."

Minister Tichy's Resignation Shelved

AU2602161191 Prague RUDE PRAVO in Czech 21 Feb 91 p 2

[Interview with Czech Prime Minister Petr Pithart by Igor Sirota; place and date not given: "Is the Government Not Falling Apart?"; first and last paragraphs are RUDE PRAVO introduction and conclusion]

[Excerpts] The definitive decision of the Moravian Movement for Self-Governing Democracy [HSD] to leave the government coalition confronted Czech Prime Minister Petr Pithart with the question of whether or not to leave HSD Minister [of Control] Tichy in the government. When we asked him, the prime minister answered our question as follows:

[Pithart] The situation is clear in that Minister Tichy himself, too, submitted his resignation. I thought that he would stick it out for a while because the Czech National Council [CNR] wants to establish an auditing office of its own, and we assume that it will take over the bulk of the duties of the present Ministry of Control. But now, after what happened [reference to the HSD departure from the government coalition with the Civic Forum], the situation brooks no delay. Two hours from now I will submit to the CNR Presidium a proposal that Minister Tichy be recalled. [passage omitted]

[Sirota] Minister Tichy is leaving. Deputy Prime Minister Vlasak will go too. You have failed twice in having your candidate for the post of minister of the environment endorsed [by the CNR Presidium]. And there have been discussions about Minister of Agriculture Kubat.... Do you not have the feeling that your government is falling apart?

[Pithart] No. Such things will always happen. In a period that is full of conflicts, a government that really works cannot remain in an unchanged form. As for Minister Kubat, I voiced my clear support for him in a radio interview yesterday. And as far as the minister of the environment is concerned, you said that I have failed. I will tell you why I failed. The CNR Presidium has 25 members. When I submitted my first candidate, eight of them were not present. And when I submitted my second candidate, seven of them were not present. [passage omitted]

In the end, according to our information, P. Pithart withdrew his motion that Minister Tichy be recalled. When we asked him about this, he said that the CNR auditing office that is taking shape will probably take over the tasks of the Ministry of Control. It would be "foolish" to recall the minister in this case. "I have therefore asked Mr. Tichy to hold out for a couple more days."

Slovak Government Changes Position on Restitution

AU2602132991 Bratislava VEREJNOST in Slovak 21 Feb 91 pp 1, 2

[Statement by Jozef Kucerak, deputy prime minister of the Slovak Republic and Public Against Violence representative, on the bill on extrajudicial rehabilitation, "prepared" by Andrej Javorsky: "How To Redress a Broken Back"]

[Excerpt] [passage omitted] [Kucerak] When the Slovak Government delivered its opinion on the federal government's bill [on extrajudicial rehabilitation, also known as the bill on the restitution of nationalized property] at its session on Tuesday [19 February], it did so on the basis of the text at its disposal. This is why our position on the bill was negative. Still on Tuesday, at around noon, we received the information, however, that the CSFR Government has a different version of the bill, the latest version. When I studied it later on, I found out that on three crucial points it was in complete harmony with our ideas about restitution. It is apparent that the federal government really revised its draft at the last moment. The latest draft does not even consider the restitution of property nationalized prior to 1948, and it also contains a clause empowering the Slovak National Council to deal with Slovakia's specific problems. As for the Slovak Government's demand that nationalized property be restituted in the form of coupons within the framework of the privatization process, we might almost come to an agreement even on this point because Article 13 of the federal government's latest draft specifies that financial compensation to eligible persons will be extended only if the property in question cannot be returned, if the property has been devalued, or if the function and the value of the property have completely changed.

The federal government's draft specifies, furthermore, that only eligible persons, and not their heirs or other persons, can claim part of the compensation in cash, namely 30,000 korunas, while the remaining part of the compensation will be extended only in the form of shares, rather than in the form of state bonds. It follows from this that we, and our descendants, do not face the threat of indebtedness. The use of shares comes very close to our demand for financial restitution in the form of coupons.

[Javorsky] Judging from your explanation of the latest development of events around the restitution law, the possibility of consensus, at least between the federal government and the Slovak Government, appears to be real. An agreement would perhaps be facilitated by an immediate session of the Slovak Republic Government that would take into consideration the most recent [shift in the] position of the CSFR Government.

[Kucerak] I would be glad if the Slovak Government held yet another session on this issue, and I have asked the prime minister to convene it. I believe that it would help calm down the political situation because many citizens have the impression, based on previously published information, that the federal government's draft is totally unacceptable. The federal government's most recent revision of the bill bears out how much is at stake. The adoption of this latest version of the bill would not necessarily have to slow down the process of economic reform. [passage omitted]

Meciar Advocates Referendum on 'Slovak Statehood'

AU2702135691 Prague CTK in English 1737 GMT 23 Feb 91

[Text] Bratislava Feb 23 (CTK)— Slovak Prime Minister Vladimir Meciar said at a congress of the Public Against Violence (VPN) movement at Topolcany, West Slovakia, today that though a majority of Slovaks would

probably favor a joint state with the Czechs, the question of Slovak statehood should be decided in a referendum.

According to Meciar, this year should see completion of building the statehood of the Slovak Republic, the smaller of the two constituent parts of the Czechoslovak federation.

Speaking about Slovakia's foreign political orientation within Europe, Meciar said visits by Slovak leaders to neighboring countries, with the exception of the USSR, have helped improve the image of Slovakia abroad. He added the image is often distorted by information spread by some circles of the Czechoslovak Foreign Ministry.

Meciar Does Not 'Rule Out' VPN Chairmanship

AU2702135991 Prague CTK in English 1925 GMT 24 Feb 91

[Text] Bratislava Feb 24 (CTK)— Slovak Prime Minister Vladimir Meciar told journalists during a break at the congress of the Slovak "Public Against Violence" (VPN) movement here today he did not rule out the possibility of a Slovak prime minister being at the same time VPN chairman.

Asked about the future state setup of Czechoslovakia, Meciar said views in Slovakia range from such extremes as an independent Slovak state to a unitary state. According to him the best would be to make it a question of a nation-wide referendum.

Over the past months, heated discussions have been held throughout Czechoslovakia on the future state arrangement of Czechoslovakia, now a dual federation.

He declined to comment on yesterday's split of the Civic Forum movement in the Czech lands. In this connection he did not rule out the appearance of new streams and initiatives within VPN, which remains for the time being a civic movement just as it was founded during the November 1989 revolution in Czechoslovakia. After the parliamentary elections due by the end of June 1992, several political parties will probably be created on the basis of VPN, Meciar said. He ranked himself in the political center.

Gal, Meciar Differences May Permit Budaj Return

AU2602215591 Bratislava NARODNA OBRODA in Slovak 25 Feb 91 p 3

[Jan Fuele commentary: "Will the Third Dog Run Away With the Bone?"]

[Text] The fourth sentence uttered by Fedor Gal, chairman of the Public Against Violence [VPN] movement Slovak Council, in an interview given on Saturday [23 February] morning was as follows: "If I have correctly understood the atmosphere that currently prevails in our movement, the VPN will remain a movement, and that is good."

The VPN indeed remained a movement after its republican assembly, but the atmosphere was very reminiscent of the Civic Forum assembly in January. Relative agreement prevailed in the assembly hall, but there was much more of it in the lobbies. On Sunday morning it was still not clear whether Slovak Prime Minister Vladimir Meciar would also be a candidate for the post of VPN Slovak Council chairman. Only voting on changes to the movement's articles was expected since the VPN Slovak Council chairman is elected directly by the Council and not by the assembly in accordance with these articles, which were still valid yesterday morning.

Everything remained almost the same in this regard. The Slovak Council has been expanded to include district representatives and will now have 75 members. It will elect its chairman and an 11-member Presidium at its first session. Therefore, a decision on the often-discussed issue of the chairman will be made in the days to come. It is highly probable that the Civic Forum differentiation scenario will be repeated in Slovakia. Perhaps it will be repeated more slowly and less dramatically, but it will be equally unavoidable.

Presenting the VPN as a broad based civic movement is more of a desire than reality. It has a clear economic program represented by Jozef Kucerak, its political starting points were outlined in a speech by Sona Szomolanyova (previously published in VEREJNOST and Cultural Life), and many people view Vladimir Meciar as its leading personality. His election is being demanded more and more often by representatives from outside Bratislava who are calling in a single breath for greater authority; but, at the same time, they lack the singular authority that would unite the movement and lead it in a direction determined by Meciar.

It is very difficult to predict what will happen in the next few weeks. Those who yesterday voted for the election of an 11-member VPN Slovak Council Presidium can probably not imagine how this new body will function if—and this is extremely likely—Fedor Gal and Vladimir Meciar come face to face in it.... Both have their supporters and, at the same time, diverse views on the movement's future orientation. Vladimir Meciar has his current great popularity on his side, while against him he has the huge burden of work that would probably sometimes prevent him from carrying out the function of movement chairman. Fedor Gal has many colleagues on his side representing an impressive intellectual background, but he lacks the support of rural VPN movements which often reproach him for asserting centrist policies to their detriment.

When two dogs fight, the third one runs away with the bone. It is highly probable that Jan Budaj will soon return to politics.

Is this mere speculation? After all, politics is sometimes an art of the apparently impossible.

Daily Corrects Commentary

AU2702103291

Bratislava NARODNA OBRODA in Slovak on 26 February on page 3 carries the following 50-word "(NO)"-signed correction to the preceding item: "We did not find it amusing when we read the following sentence in Jan Fuele's commentary 'Will the Third Dog Run Away With the Bone?': 'Relative agreement prevailed in the assembly hall, but there was much more of it in the lobbies.' Everything would be in order if the sentence had read: 'Relative agreement prevailed in the assembly hall, but there was much less of it in the lobbies.' Of course, sometimes less is really more."

Slovak National Party's Recent Activity Discussed

AU2602184091

[Editorial Report] Bratislava PRAVDA in Slovak on 23 February on page 5, under the headline "From Meetings to Activities in Support of an Independent Slovakia," carries a 1,600-word interview with Slovak National Party Deputy Chairman Jan Giertli by Martin Krno.

In his reply to a question on what the party has been doing since last December when Vitazoslav Moric resigned as party chairman, Giertli denies that it has been "in hibernation." Following the experience gained during the language law debates, the party has "parted with a street policy." The current political struggle is not so "prominent as previously when it was enough to convene a meeting once every two or three weeks and everyone heard about us." According to Giertli, "the period of meetings has come to an end. People are losing interest in platform speeches, they are waiting for action."

When asked what forms of activity the Slovak National Party (SNS) will undertake, its deputy chairman states that it would like its deputies "to be more active to overcome their isolation, especially in the Federal Assembly where some of the Czech deputies ignore them."

Krno is interested in the SNS' cooperation with other nationalistically oriented parties and movements, in particular with the Slovak National Unity movement which was founded by Stanislav Panis, a former SNS deputy. In his reply Giertli states: "We have nothing to discuss with the Slovak National Unity movement. Mr. Panis should be listed in the 'Guinness Book of World Records.' It seems to me that in the space of four months he has attempted to establish five political parties. To put it mildly, he shows a great deal of animosity toward the SNS. As far as the other nationalist movements are concerned, we are monitoring their activity carefully. We are maintaining contacts with them within the framework of the Slovak National Bloc."

Krno is also interested in the rumors about an SNS coalition with the Christian Democratic Movement (KDH). Giertli claims that it is difficult to predict the future and adds that "like Mr. Carnogursky we also want to maintain more room to maneuver." However, according to the SNS deputy chairman, his party's program is reproached by KDH district representatives for not "highlighting" religious issues, but "after ironing out several smaller differences with the KDH, we could be natural allies on the Slovak political scene."

The three constitutional laws proposed by President Havel are discussed at the end of the interview. Giertli is of the opinion that the president "interferes in policy too often. Therefore, considering further authority for him is unacceptable not only to Slovaks, but also to Czechs. After all, whether there is a state of emergency in Slovakia will not be decided upon in distant Prague."

Small Parties Seen To Offer No Real Opposition

AU2602175591 Bratislava NARODNA OBRODA in Slovak 23 Feb 91 p 3

[Jan Fuele commentary: "Does the Opposition Have a Chance?"]

[Text] Even the small political parties are raising their voices at irregular, but more and more frequent, intervals—their larger partners call them dwarf parties. Very often they allude to the membership base, the number of voters in previous elections, and real political influence. In the period between elections, small parties always try to gain a few points and to acquire such positions that would allow them to assert themselves. The ideal moment for such activity has just arisen—the legisaltures are having disputes and "great" politicians are giving scope to "small" politicians—even if the manner of doing so is not the most fortunate one.

The course of economic reform is a rewarding target for the opposition. It is characteristic of our political scene now that the command to attack was issued by a member of the government coalition - the Christian Democratic Movement [KDH]. Jozef Kucerak, the leader of Slovak economic reform, has publicly opposed some of the theses contained in their alternative program—the authors allegedly overestimate the role of the state as an owner. The KDH's socially oriented program for economic reform rates a serious analysis by the author of the official and implemented program.

The theses of smaller political parties are seen in a much worse light. In their declarations and standpoints—which they issue in large numbers—they primarily adopt very extremist standpoints that shift them toward the periphery of the political spectrum. The Bratislava city organization of the Social Democratic Party in Slovakia declares its lack of confidence in Slovak National Council and Federal Assembly deputies, and its chairman distances himself from this shortly afterwards. The Slovak National Party (a legislative party, however, of small influence now) in its theses, which the Central Council has discussed, offers an alternative economic program, the standard of which parallels the standard of other declarations published here, such as the requirement that the Slovak Army join NATO, that the Czech press be prevented from coming to Slovakia, and that the

aforementioned party joins "The International of National Parties." The draft law on large privatization presented by Communist Party of Czechoslovakia deputies (who have identical influence) was not passed in any of the CSFR Federal Assembly committees. In its declaration regarding the current political situation, the Movement for an Independent Slovakia writes that "Slovak politicians only pretend that they are defending Slovak political interests, but, in reality, they yield economic, political, and cultural powers to federal—that is, to Czech and Czechoslovakist—ruling bodies."

All in all, some small political parties in their critical declarations—compensating thus for the absence of their own political programs—are more often speaking about the possibility of extraordinary legislative elections. Maybe they know who cannot lose anything by taking such a step. And who could gain something? It is difficult to say .... There are the first signals even now that the next election campaign will not be as clean as the previous one, when all political parties and movement had a common enemy. There will be many enemies, and no one will need a weak ally. None of the small parties has shown—in this ideal time for the activity of an intelligent opposition—too much to its potential voters.

Slovak Greens Hold Congress, Elect New Chairman

AU2702090291 Bratislava PRAVDA in Slovak 25 Feb 91 p 2

["(LR)"-signed report: "Environmentally and Socially"]

[Excerpts] Piestany—A democratic, economically prospering, and socially just state is not at variance with a policy that has environmental protection as its main priority. Only demagogues maintain that Greens want to force society back into caves and onto trees. The fact that they are concerned about something completely different was confirmed by the discussions of the Green Party in Slovakia's two-day first regular congress, which came to an end in Piestany yesterday. [passage omitted]

In the political program approved by the Piestany congress we noted, among other things, the following in the section on the economy: The Green Party supports the alternative economic model that recognizes the relationship between society and the environment, makes it impossible to misappropriate capital from the forces of production, and is based upon a plurality of ownership forms, but at the same time prevents a concentration of private capital's power. The party is also opposed to all interventions in the economy's operation that economically and socially burden the population for a long period of time and lead to a reduction in the quality of life. Putting it simply, the party proceeds from the point of view that any kind of social and political instability is a direct threat to the environment. [passage omitted]

Peter Sabo has become the new chairman of the Green Party in Slovakia.

Small Privatization Launched in Slovakia

AU2602150391 Prague CTK in English 1459 GMT 23 Feb 91

[Text] Bratislava Feb 23 (CTK)— The final price of a Bratislava tobacconist's shop exceeded the asking price 220-times at the first auction in Slovakia here today, thus beating the record of a 70-fold increase set in the Czech lands earlier.

Auctions of shops under a law on "small privatization," i.e. privatization of shops, services, and small businesses approved last year, started in the Czech lands one month earlier than in Slovakia.

The starting price of the tobacconist's was 6,000 crowns [korunas], but the shop was auctioned off for 1,320,000 crowns (one dollar equals 28 crowns).

Thus far, 105 shops at a total of almost 30 million crowns have been put up for auction in Slovakia.

It is expected that some 100,000 shops, services, and small businesses will be auctioned off in the first stage, bringing the state 30,000-40,000 million crowns.

League of Romany Unity Formed

AU2602152591 Bratislava PRAVDA in Slovak 25 Feb 91 p 2

[CTK report in the "Briefly From Home" column]

[Text] The constituent assembly of the League of Romany Unity [Liga romskej jednoty] took place in Poprad on Saturday [23 February]. The new political movement, the goal of which is to unite and coordinate activities of all the divergent Romany organizations, combines the Party for the Integration of Romanies, the Democratic Union of Romanies' Party, and the Association of the Romany Intelligentsia.

Committee Informed About Warsaw Pact Disbanding

LD2702123891 Budapest Domestic Service in Hungarian 1100 GMT 27 Feb 91

[Text] The deputies in the National Assembly's Foreign Affairs Committee have heard a briefing on Hungarian-Soviet relations and on the process of the cessation of the Warsaw Pact. Gabor Kereszty reports:

[Begin Kereszty recording] In the course of preparations, the experts noted that, owing to the events in the Soviet Union, Gorbchev was unable to move as he would wish. For this reason, it was decided that the meeting could be held at a ministerial level, if the ministers are authoritzed to make decisions on the dismantling of the military organization, said David Meiszner [name as heard], deputy state secretary in the Ministry of Foreign Affairs.

Everything was on schedule at the session. A protocol was adopted on the dismantling of the Warsaw Pact military organization. However, as David Meiszner said, based on a Soviet initiative, a gentleman's agreement [preceding two words in English] was also reached at the meeting, according to which the text of the protocol will not be given to the press.

According to plans, a session of the Political Consultative Committee will be held in Prague in July. The organization's fate will be discussed. If the dismantling of the political organization does not proceed as smoothly as the disbanding of the military organization, then Hungary will leave the Warsaw Pact by the spring of next year at the latest, Meiszner said.

Regarding the situation of a temporary security vacuum, Meiszner said that diplomats are working on developing a multitiered security policy system. Hungary, at the first level, would be linked to the all-European security system. Second, it would be possible to cooperate with some NATO organizations. Regional cooperation, such as Pentagonal or Polish-Czechoslovak-Hungarian cooperation, as well as bilateral agreements, are still extremely important, he said. Several deputies pointed out that special emphasis should be placed on the Soviet-Hungarian cooperation agreement now under preparation. To this, the deputy state secretary said that negotiations are progressing at a good pace. [end recording]

Fur Rejects Current NATO Membership

LD2602184191 Budapest Domestic Service in Hungarian 1400 GMT 26 Feb 91

[Text] Hungary does not presently want to join NATO, Defense Minister Lajos Fur said in a statement to German television after the Budapest session that decided on the dismantling of the military organization of the Warsaw Pact. Asked if Soviet troops remaining in Hungary could cause any problems, Lajos Fur said that so far Moscow has met all obligations laid down in agreements; therefore, there is no reason to doubt that by the end of June every Soviet soldier will leave the country in accordance with the original agreement.

Assembly Decides To Open Airspace to Allies

LD2602172191 Budapest MTI in English 1649 GMT 26 Feb 91

[Text] Budapest, February 26 (MTI)—In an open session Tuesday, parliament took up the suggestion of the speaker of the Hungarian parliament, Gyorgy Szabad, to follow the joint proposal of the defence and foreign affairs committees and reveal the secret resolution concerning the Gulf war, made in a closed session in December 1990.

The suggestion had been approved by MPs [members of parliament] and Szabad then read out the resolution, according to which Hungary gave the go-ahead for aircraft of the allied forces to use its airspace and airfields if necessary.

MDF Deputy Chairman Queried on Party Position

AU2602192191 Budapest NEPSZAVA in Hungarian 23 Feb 91 p 4

[Interview with Democratic Forum (MDF) Deputy Chairman Imre Furmann by Ildiko Horvath; place and date not given: "The MDF Is Not Tantamount to the Government"; first paragraph is NEPSZAVA introduction]

[Excerpts] Thanks to television, Hungarian citizens can watch parliamentary debates. They can see how the parliamentary faction of the Hungarian Democratic Forum [MDF] ruthlessly repels the opposition's attacks, as though it wanted to hold absolute power. A few days ago, even the people of Hungary came under attack in relation to the so-called taxi drivers' blockade last autumn. Many people turned away from the MDF when they noticed these unpleasant symptoms; they identified the party, which had started off with such a hopeful program, with the parliamentary faction and the government. We asked Imre Furmann some "geographic" questions.

[Horvath] How far is Bem Square [seat of the MDF headquarters] from Kossuth Square [location of the Hungarian National Assembly]? How far is it from Lakitelek [first meeting of the opposition roundtable during the Kadar regime]?

[Furmann] The distance to Kossuth Square is as long as it ought to be in a democracy that is functioning properly. If that distance disappeared, then the MDF would become a state party; or the government, the parliamentary faction, and the party would blend into one. In a democracy, it is essential that these three forces stay at an appropriate distance from each other, because that is the only way that political actors can play the three-sided role that is needed in a multiparty system.

[Horvath] What is the role of the party?

[Furmann] The party and the parliamentary faction have to exert as much influence as possible on the government. It is in the government's interest, however, to make sure that there is minimal interference with its work. The aforementioned three-sided political battle leads to a specific government outcome that subsequently determines the country's political landscape. [passage omitted]

[Horvath] This might be a delicate question: The public believes that Prime Minister Jozsef Antall holds the government and the party in one grip, that he dominates both entities through his considerable personality, as it were. Do you agree with that point of view?

[Furmann] That is not a delicate question. Party members usually ask this question in a much more direct way. Prime Minister Jozsef Antall has an impressive personality. Consequently, he undeniably leaves his imprint on the areas where he works. History will remember his name as a politician of great stature. The MDF is not a "one-man party," and even if an outside observer would tend to think that Jozsef Antall usually has his own way, I still think that the existence of an institutional mechanism is important. The truth is that the people who argue with Antall generally do not have arguments that stand up to his, and they definitely do not have the same competence as the prime minister. However, I certify that Jozsef Antall can also be influenced. Antall had his own way when Balazs Horvath was elected as managing deputy chairman of the party, but my opinion in this matter is that it is a Hungarian obsession always to mistrust initiatives from above.

[Horvath] How do you view the party's current situation, at the end of February 1991?

[Furmann] The MDF can only become a real political factor if it clarifies its role, functions properly, and is able to influence the parliamentary faction and the government satisfactorily. What will happen in three years' time? It is difficult to make predictions. If the party fails to implement 60 percent of its program by that time, then it should hand over its position to a political force that promises more alternatives, a movement that means more to the people than what we have meant.

FKgP Official Interviewed on Land Distribution

AU2602211691 Budapest MAGYAR HIRLAP in Hungarian 23 Feb 91 p 6

[Interview with Smallholders' Party Deputy Geza Zsiros by Ildiko Nagy; place and date not given: "Peasants Prefer the Smell of Land—How Long Will the Party Enjoy Confidence?"; first paragraph is MAGYAR HIRLAP introduction]

[Excerpts] A total stalemate has emerged in the National Assembly, although the debate on compensations has been going on for a year. The debate could continue for months, while rumors of land seizure and the bankruptcy of the agricultural sector are spreading. To what extent is the Smallholders' Party [FKgP] responsible for this situation? Geza Zsiros gladly offered to analyze the situation.

[Nagy] Why did the FKgP not urge the people to individually farm the almost 2 million hectares of common land, on the basis of the law legislated in January 1990?

[Zsiros] Because the property taken into the agricultural cooperative and the property deriving from the members' activity would have stayed in the agricultural cooperative. Some 70 percent of today's cooperative members, however, did not bring anything into the cooperative; therefore, they would have become the beneficiaries.

[Nagy] Why did you not submit a modifying proposal if you thought the law was not good enough?

[Zsiros] This is a justified question, and you could ask me several hundred other similar questions to which I would not be able to give a clear answer, because a failure has been made here. We did not discuss this problem thoroughly enough because we wanted to fulfill our responsibility in the government. [passage omitted]

[Nagy] Why this arbitrary seizure of land when there is a valid law regulating the ownership of the cooperative members' land, and the bill on cooperative and state land is being currently debated in the National Assembly?

[Zsiros] Farmers are afraid that they might only receive papers without any value, instead of bonds, and a peasant prefers the smell of land to the smell of paper. The seizure of land could be avoided if the state realized that it is allowed also to provide gifts, not only decorations. The state has proved to be the worst manager: It does not know how to manage its property efficiently. An apple must be cut into pieces if one does not want the whole apple in one hand. [passage omitted]

[Nagy] What is the responsibility of the FKgP in the current disturbances in the agricultural sector? Do you admit that, following the change in the government, the Agricultural Ministry led by the FKgP "slightly" forgot about the issue of farming, and concentrated on the issue of land ownership instead?

[Zsiros] This is true. The FKgP has a considerable responsibility in this. While we were dealing with issues of ownership, we neglected the issue of farming. [passage omitted]

[Nagy] To what extent is the FKgP responsible for the current precarious state of the coalition?

[Zsiros] We have let ourselves be led by the nose. We should have signed a tripartite agreement at the very beginning, and stipulate the principles for the activity of the coalition. We still lack such an agreement. [passage omitted]

Research Center Analyzes Unemployment

AU2602131891 Budapest NEPSZABADSAG in Hungarian 23 Feb 91 p 5

[Attila Kapitany report: "Survey of the Labor Market"]

[Text] On the basis of its January estimates, the Labor Market Research Center has declared that the adverse tendencies witnessed at the end of 1990 grew stronger during the first month of 1991. The number of reported vacancies is dropping extremely fast, and parallel to that, the number of registered unemployed has increased by leaps and bounds.

According to the Labor Market Research Center survey, there are only 13 openings for every 100 job applicants. A year ago, there were 161 job openings for 100 applicants. Indeed, in January 1990, there were still more than 37,700 vacancies in Hungary, but by the end of 1990, this number had dropped to less than 17,000. In January 1991, there were not even 13,000 vacancies left. In other words, within the space of one month, job openings in Hungary dropped by one-fifth. In January 1991—just like in the past—job prospects were better for manual laborers. Indeed, more than 92 percent of the jobs available were of a physical nature. Out of the total number of vacancies, more than 50 percent are to be filled by skilled workers, almost one-third should be filled by semi-skilled workers, and one-tenth are open to unskilled workers. White- collar workers, on the other hand, hardly have anything to choose from. Only 7.5 percent of all job openings in Hungary would correspond to their qualifications.

The situation is made even worse by the fact that between January 1990 and December 1990, the number of unemployed—together with old age pensioners and school children—increased fourfold, and in the month that followed, it grew by a further 25 percent. Some 80 percent of all registered job applicants are manual workers. Some 25 percent of all unemployed are skilled workers, a further 25 percent are semi-skilled workers, and less than one-third are unskilled workers. White-collar workers account for approximately 5 percent of all job applicants.

According to national surveys, some 71,500 unemployed receive unemployment benefits, and a further 4,000 receive unemployment allocations. Between the third and the fourth quarter of 1990, employment agencies increased their turnover by 150 percent, and they dealt with more than 500,000 cases. The number of clients approached 220,000 during that period of time Ratios among the unemployed, and among those who require benefits, have changed for the worse. The proportion of unemployed semi-skilled and unskilled workers who have only completed junior high school is growing. The growth in the proportion of those who receive benefits and allocations is even more flagrant; this shows that a year ago, employment agencies still found jobs for the majority of their applicants, but that such success is rare nowadays. One-tenth of all job applicants have not even completed junior high school, 5 percent have attended senior high school, and a further 10 percent have attended vocational secondary schools or technical schools. The number of job applicants who have completed their studies at professional schools or institutes of higher education is rather small.

Vacancies and Number of Unemployed per County, on 22 January 1991

County	Registered Vacancies	Registered Unemployed	Unemployment Rates in Percentage
Budapest	1,286	3,803	0.3
Baranya	1,147	5,125	2.6
Bacs-Kiskun	604	4,786	1.9
Bekes	320	5,054	2.8
Borsod-Abauj-Zemplen	400	14,011	3.9
Csongrad	1,025	4,089	2.0
Fejer	831	3,928	2.1
Gyor-Moson-Sopron	577	2,847	1.4
Hajdu-Bihar	216	4,645	1.9
Heves	635	4,879	3.3
Jasz-Nagykun-Szolnok	1,131	5,646	2.9
Komarom-Esztergom	1,023	2,032	1.4
Nograd	413	4,924	5.0
Pest	651	4,942	1.5
Somogy	458	3,983	2.7
Szabocs-Szatmar-Bereg	1,166	13,530	5.9
Tolna	176	3,693	3.1
Vas	325	944	0.7
Veszprem	237	3,985	2.2
Zala	328	2,291	1.6
TOTAL	12,949	99,137	2.1

CSFR Minister Arrives To Sign Military Accord

LD2702124591 Prague Domestic Service in Czech 1100 GMT 27 Feb 91

[Text] Poland—Lubos Dobrovsky, Czechoslovak defense minister, has arrived in Warsaw for a one-day working visit. He was welcomed at the airport by his Polish colleague Vice Admiral Piotr Kolodziejczyk and other official representatives. The defense ministers will sign an agreement on military cooperation today. Lubos Dobrovsky will then be received by Polish President Lech Walesa.

Agreement Signed

LD2702125191 Warsaw PAP in English 1136 GMT 27 Feb 91

[Text] Warsaw, Feb. 27—Czechoslovak Defence minister Lubos Dobrovsky, paying a working visit to Poland, and his Polish counterpart here today signed an agreement on the main directions of military cooperation between the two countries.

Polish Defence Minister Kolodziejczyk stressed that the document is in no way a defence alliance but first of all an agreement on the exchange of military information.

Spokesman Views Presidential Electoral Bill

LD2602143191 Warsaw PAP in English 2117 GMT 25 Feb 91

[Text] Warsaw, Feb. 25—It was the president's intention to make it possible to hold parliamentary elections as soon as possible, that is on May 26, Head of the President's Chancellery Jaroslaw Kaczynski told newsmen here today referring to the presidential draft electoral law filed with the Sejm (lower house).

The draft gives such an occasion and if the Sejm decides to hold the elections on May 26 it must adjust all the procedures to that date, he said.

Other draft electoral laws do not create a chance to hold the elections in the spring. If they are not held at the end of May, due to the papal visits to this country as well as other developments they can only be organized much later, Kaczynski stressed and added that he was surprised by Professor Geremek's statement in which he had questioned the sense of the presidential initiative.

Next, Secretary of State at the Presidential Chancellery Slawomir Siwek stressed that in his letter to the Sejm speaker, Lech Walesa explained that in response to postulates of various political parties and social expectations he considered it his duty to join the process of preparing free elections.

Senate Session To Discuss Elections

LD2602133691 Warsaw PAP in English 1135 GMT 26 Feb 91

[Text] Warsaw, Feb. 26—A three-day plenary meeting of the Polish Senate will be held from Feb. 28 to March 2.

The agenda of the meeting provides for:

—stand on the budget bill for 1991 and related Sejm resolutions on socio-economic and monetary policies,

—stand on a new president of the Main Board of Inspection (NIK),

—stand on parliamentary elections.

Sejm Deputy Skeptical About 26 May Election Date

AU2702084291 Warsaw RZECZPOSPOLITA in Polish 25 Feb 91 p 2

['J.F.' report: "Accelerated Elections Require A Constitutional Amendment"]

[Text] As we know, on 22 March President Lech Walesa conveyed to the Sejm a draft set of election rules produced by the Presidential Chancellery. There is a desire to hold the parliamentary elections on 26 May and for the Sejm to dissolve itself.

"When drafting the rules, the Chancellery had not scrutinized carefully enough Article 31, Paragraph 2 of the Constitution, which discusses when the president may ordain new elections after the Sejm has dissolved itself," says Sejm Deputy Henryk Michalak. "To be precise, the Chancellery has confused self-dissolution by the Sejm with the dissolution of the Sejm by the president, and seems oblivious to the fact that self-dissolution by the Sejm does not automatically set a new election in motion.

"In its decision to abort its tenure, the Sejm sets a date for its own dissolution. This will not occur immediately, for the obvious reason that the Parliament must continue to work a little longer to complete at least a part of the work it commenced earlier on its own or the government's initiative.

"One of Solidarity's greatest achievements is that Poland will be a law-governed country. Unfortunately, however, the law is often treated in a nonchalant manner. Parliament should respect its own laws, so that others may also do so, otherwise, for example, a citizen may ask: Why should I pay taxes imposed by a Parliament that was formed as a result of a deal, and an untrustworthy Parliament at that? Therefore the deputies must carefully examine the conditions under which the president's initiative could be implemented. If the elections are held on 26 May, the Constitution has to be amended first.

"Either Article 31 of the Constitution has to be amended, or a brand new article introduced which will

permit the Sejm to work without a break of tenure. This must be done no later than 7 March, during the political debate. But we have not received any sign of such an intention.

"I do not rule out the fact that a different interpretation of Article 31 exists, but even so the Constitutional Tribunal would have to make an appropriate decision, and that too requires time."

Solidarity Congress Debate Reported

AU2702091791 Warsaw RZECZPOSPOLITA in Polish 25 Feb 91 pp 1, 2

[Report by Alicja Balinska and Aleksandra Fandrejewska: "A Trade Union Success Is Necessary"]

[Excerpts] The first day of the Third National Congress of Solidarity Delegates on 23 and 24 February was spent presenting the candidates for the post of chairman and electing the chairman. The second day was spent on a debate on what is happening in Poland and the resultant tasks for the union. The afternoon, evening, and night were spent adopting the resolutions.

On Saturday, each candidate for the post of chairman was given 10 minutes in which to present his program, and each of them did so.

Bogdan Borusewicz opposed the politicization of the union. He said that the broad powers of the chairman should be balanced out by greater powers for the Presidium and National Commission. Discussions inside offices should be abandoned in favor of negotiations before an open curtain, as he put it. The union should create the following institutions: a labor office, insurance agencies, a research institute, and an information office.

"For the second time, the union must define its identity and speak out on the subject of privatization," said Lech Kaczynski in his speech. "A shortage of experts and insufficient work by them is reducing the entire union's efficiency," he said. Kaczynski said he supports regional union structures and, at the same time, Solidarity industrial branch committees should take greater part in the National Commission's work.

Marian Krzaklewski said that after its political success, Solidarity now needs a trade union success. He described the qualities the chairman should have: political impartiality, professionalism, an awareness of the interests of various worker milieus, and experience in holding talks. "A return to moral values is a great chance for the union, for we are still the most important guarantor of the reforms and the main anticommunist force in Poland," said Krzaklewski. "Solidarity must put an end to the flood of resolutions and try to minimize the effects of unemployment. The branch committees must find a place for themselves inside the union's structures." Krzaklewski's speech met with the longest applause. After this, the candidates answered questions.

The results of the first round of the vote were as follows: Bogdan Borusewicz, 70 votes; Lech Kaczynski, 129 votes; and Marian Krzaklewski, 134 votes. Borusewicz lost in the second round. To become Solidarity chairman, winning over 50 percent of the votes was required, and Marian Krzaklewski received 51.25 percent.

Despite the efforts of union treasurer Janusz Palubicki, the deputies did not alter the structure of union dues. "Solidarity" is not independent, it is very much dependent on subsidies, they argued. Last year, the union's income from membership dues amounted to 6 billion zlotys [Z], and income from subsidies amounted to Z5.5 billion. Half an hour after the result was announced, the new chairman once again presented his program at a news conference.

"The union is not going to be more militant with its claims; it must present its claims in accordance with the possibilities provided by the law," said Krzaklewski. "The union's participation in the elections will derive from the tactics the union has adopted; these tactics must be effective."

Krzaklewski did not rule out the possibility of the union joining the free election committee that is currently being set up by the Center Accord. First, it is necessary to examine what advantages that would bring, he said. He said this would not depend on a sole decision made by him. "I am in favor of a balance of forces between the chairman and the National Commission," he said. "The union's main objective in parliament is to protect the rights of workers. The headquarters will remain in Gdansk for two reasons—a lack of resources to carry out experiments, and the fact that there is already a professional cadre in Gdansk."

He said that a new deal only makes sense if it releases social tension. Jan Krzysztof Bielecki's speech to the congress can be interpreted as a step forward toward talks with the government. Krzaklewski did not agree with the view that talks with the government so far have ended in a fiasco.

On Sunday, 24 February, following a service at the cathedral of Oliwa, the second day of the congress began, concentrating on general issues, things happening in Poland, and the union's stance toward them.

A meeting between Jan Krzysztof Bielecki and Labor Minister Michal Boni lasted two and a half hours. Lech Kaczynski told the congress about the talks held with the government so far: "The talks have not been interrupted. They are finished."

After that, Prime Minister Bielecki delivered a speech [passage omitted].

Addressing the congress, Michal Boni said it is essential to keep in mind which parts of the country suffer from unemployment. He also said that in March, a social committee will be set up to implement the law on

returning the union assets that were confiscated following martial law on 13 December 1981. This committee will have a neutral profile, with no representatives of social or professional organizations in them. Boni proposed Wieslaw Johann as chairman of this commission. He also suggested tripartite talks between employers, the trade unions, and the government. "We are the first to make this offer," he said.

Both guests, Prime Minister Bielecki and Minister Boni, were asked detailed questions. Why are not all economic units equal? Does the government not fear that it is standing on a precipice? How can the government be so sure that there are no better ways of implementing the reforms? Why is there no accurate information policy? Some delegates said that inside enterprises that are on the verge of privatization, it is very convenient to underestimate the value of assets. The prime minister explained why an inflexible dollar rate of exchange is being maintained. To introduce individual taxation, he said, an appropriate package of legislation is required, which will take over six months to set in motion.

In conclusion, economist Marek Gruchelski presented alternative solutions to those of the government. He said that the tax on excess earnings should be altered because it is only effective when inflation is linked to supply. In Poland, it is linked to demand. Incorrectly establishing the source of inflation and selecting wrong ways of controlling it leads to recession and unemployment, with a periodic halting and recurrence of inflation, he said.

In the afternoon, amendments to the Solidarity statute were adopted. The National Commission was expanded by the addition of the 15 secretaries of branch industrial committees. A major change to the statute is the granting of legal status to regional, factory, and interfactory trade unions.

The congress decided that the union would participate in the upcoming parliamentary election independently, with a limited number of candidates. It was decided that the concept may support other persons or political groups. The congress entrusted the National Commission with the technical preparation of the union's participation in the elections.

In its resolution, the union charged the National Commission with conducting talks with the government on the subject of the tax on excess wages, and authorized it to declare a nationwide protest action if the results of the talks are not satisfactory. The delegates petitioned the Sejm to adopt a package of trade union legislation as quickly as possible and to adopt the new election rules as quickly as possible, after which it should immediately make a decision about dissolving itself.

Solidarity Seeks New Role for New Decade

AU2702095491 Warsaw ZYCIE WARSZAWY in Polish 25 Feb 91 p 4

[Tomasz Wolek commentary: "The Choices Facing Solidarity"]

[Text] The Solidarity trade union faces a fundamental choice. Is it to link workers' interests to the program of further radical economic reforms, or is it going to let itself be swept along with the current wave of workers' claims and demands. Seeking a compromise with Balcerowicz will prove to be a difficult and laborious process, but this is the only road that will allow Poland to catch up with Europe.

Another priority is the choice of a specific role for the union on the Polish political stage. Representatives of the union could run for Parliament, although this would involve drawing the union into direct political activity. Solidarity might also decide to support all the political parties that have evolved from its union movement. Such support would carry significant implications for the development of the modern political stage in Poland.

In exceptional times the union was led by exceptional, charismatic people who now will forever remain touched with the legend of those conspiratorial days. Marian Krzeklewski, a computer specialist and academic from Slask, is altogether a different type of person. He is a pragmatic person without excessive political passions. He is familiar with the needs of various union branch sectors and is somebody who can turn the union into a modern and normal organization.

The person of Lech Walesa is now so identified with Solidarity that it is difficult to imagine anyone else at the union's helm. Nonetheless, the change had to come. Lech Walesa's leadership was a unique phenomenon, and it is impossible for another Walesa to appear on the scene. The times and circumstances have changed too much.

Solidarity has many tasks remaining, and its leaders still bear a large share of responsibility for the nation, responsibility that is beyond the scope of normal trade union activity. The dilemmas that face the union illustrate this. Solidarity is seeking a new identity in a changed political landscape, and to a large extent the future of the country will depend on the answers the union comes up with when faced with the challenges the coming days bring, days that are far removed from the heroic decade of the 1980's.

OKP Chief Assesses Walesa Presidency

AU2702094591 Warsaw RZECZPOSPOLITA in Polish 25 Feb 91 p 3

[Interview with Mieczyslaw Gil, chairman of the Citizens Parliamentary Club (OKP), by Ewa K. Czaczkowska; place and date not given: "Energetic, But A Little Chaotic"]

[Text] [Czaczkowska] Now that Lech Walesa has been president for two months, can one say he is a model president?

[Gil] It is too early to say that. I think he is an energetic man, though a little chaotic. Some of his ideas and actions have not been completely premeditated, but that

is not so much his fault as that of his surroundings. After coming to the Belweder, he had to complete the appointment of his aides, ministers of state, and administration. That is probably why his activity was not completely coordinated and systematic. But, unlike his predecessor, Walesa is dynamic and energetic, and reacts quickly to current affairs. Nevertheless, his conduct often causes reactions of a different kind, and even criticism.

I think Walesa deserves recognition for his international activity. His visit to the holy father in Rome and participation in the Visegrad summit was important, also in a symbolic sense. His attitude toward the presence of Soviet troops in Poland and talks on this subject is important on an international and domestic level.

[Czaczkowska] One of the president's most important decisions has been to convert the National Defense Committee into an institutionalized National Security Council. What do you think of that?

[Gil] I think it was a good idea to create the National Security Council. In this way, the principles of the country's security have been clarified, and it is clear that we can count on our own strength, with the backing of international treaties.

As a society, we are not always aware of the state of the country's security. I know from my meetings with deputies that people do not attach too much importance to national security. They consider it to be a psychological factor. And yet the development of the situation beyond our eastern border may really be dangerous for Poland. The mere immigration of people from the East can cause us total chaos. Therefore, there must be a force that will shoulder the organizational burden of this.

[Czaczkowska] Another major issue is the tax on extra earnings and the president's fluctuating opinion about it.

[Gil] The president is in a curious situation. He has inherited the law on the taxation of extra earnings. He signed it so that workers in state enterprises could be paid the money they were owed. Now he has to support something that is imperfect, but which we all created together, and he does not want to distance himself from it.

[Czaczkowska] Weeks were spent discussing the president's proposal of creating a political council, and yet a Consultative Committee has been created in the meantime.

[Gil] I must say some people in Poland react negatively to anything the president does. I cannot imagine an energetic president not putting forth any initiatives. Perhaps some milieus, including GAZETA WYBORCZA, are used to General Jaruzelski, who never proposed anything. Whenever Walesa suggests anything, the immediate reaction is "that is unconstitutional," or "that is unrepresentational." Certain matters are conveyed to society for discussion, and that is natural. But the result is a different matter. If the president had created the Consultative Committee straightaway, he would also have been criticized, and I know by which individuals and newspapers. We should accept the fact that certain proposals are made which are amended later or abandoned altogether. That, too, is natural.

[Czaczkowska] What is the relationship between the president and the OKP [Citizens Parliamentary Club] or, more broadly, between the president and the Sejm?

[Gil] I think the cooperation is good. I think I know the undertone of your question. That misunderstanding with Deputy Ziolkowska has several dimensions, including a lack of information caused by haste. Our club is the president's natural ally, because we all come from the same ideological source—Solidarity. I said to the president that, with all due respect for his initiative and energy, there is a need for coordination and reciprocity in political activity.

[Czaczkowska] Can you say which of the president's election promises he has already succeeded in fulfilling?

[Gil] First we have to establish what he promised. When I read in the press statements by various people, especially his opponents, it seems that he promised mountains. Yet I have attended many meetings with him and listen to all his speeches, and I know he has never promised anything like that. That should be clarified. On the other hand, I do disapprove of some of the work of the Presidential Office. If the president says that some matters require legal solutions and that a faster reaction to social and economic wrongdoing is required, he must be consistent. Society is waiting. And because I represent society, I am now reminding the president of all this. After all, the voters remember that they voted for "something," not just for "someone."

OPZZ Agrees To Delay Strike Action

LD2602121191 Warsaw Domestic Service in Polish 1105 GMT 26 Feb 91

[Text] The National Trade Union Accord (OPZZ) Council Presidium has accepted a proposal submitted by Mr. Michal Boni, minister of labor and social policy, for renewing, starting 27 February, negotiations on, among other things, the tax on pay increases. A decision has been made to continue protest action while rescinding, for the period of the negotiations, warning strike action. In view of the above, the Presidium appeals to all OPZZ member organizations to limit the protest action announced for tomorrow and 6 March to the flying of flags and the hanging up of demands at work enterprises. The OPZZ expects negotiations with the government to end in the first 10 days of March this year.

Rail Strike Likely After Arbitration Fails

AU2602171891 Warsaw GAZETA WYBORCZA in Polish 22 Feb 91 p 2

['Pn'-signed report: "Polish State Railways—The First Lawful Strike?]

[Text] On Thursday [21 February], the Supreme Court's Social Arbitration Board declared it was unable to bring to an end the pay dispute between the Engineers' Trade Union and the Polish State Railways [PKP] management. It has thus proved impossible to resolve the pay dispute by legal arbitration. In such an eventuality, the law on trade unions permits a trade union to call for a lawful strike.

Engineers are demanding a new pay agreement to be backdated to 1 January 1991. If the PKP management were to accept all the demands, the engineers would receive an additional 400 to 500 thousand zlotys [Z] and this would effectively mean that there would be no more money for other categories of rail workers, says the PKP management.

The PKP management promised to introduce a new pay agreement to start on 1 April 1991, but this was rejected by the engineers' union. The union has threatened the PKP with a general strike on several occasions this year.

"Today's statement by the board leaves the engineers' union a free hand to begin a lawful general strike. However, the unionists must fulfill several more conditions that are specified by the law on trade unions, for example, the most important of these is to hold a referendum among all the PKP rail workers," stated Tadeusz Szkoda, PKP's deputy general director.

The 1982 law on trade unions makes it almost impossible to have lawful strikes. For a strike to be lawful, the trade union must submit to lengthy legal arbitration. At the end of the arbitration proceedings, the Social Arbitration Board makes a declaration. On the occasions that the board fails to secure an agreement between the disputing parties, the trade union can call a lawful strike, providing it has obtained the support of the majority of its members. Till now, nobody has successfully gone the whole way.

If the engineers' union representatives secure the support of the majority of their 330,000 PKP colleagues and decide to take strike action (thus paralyzing the country), it will be the first ever lawful strike in Poland.

* Walesa Favors Regional Restructuring

91P20223B Warsaw GAZETA WYBORCZA in Polish 7 Feb 91 p 2

[Text] The Office of Secretary of State for Regional Self-Government under the president was created in January. This office is to prepare the foundation for a new state [administrative] structure.

Lech Walesa is an advocate of having twelve or so large regions rather than 49 voivodships. He would like the self-governments to come to an understanding about this matter and to propose a new formula for territorial divisions. These changes also require a plan for public administration, on the central, voivodship, and gmina levels.

Roman Reports on Government Economic Program

AU2602132891 Bucharest ROMPRES in English 1122 GMT 26 Feb 91

[Text] Bucharest, ROMPRES, 26/2/1991—In the speech delivered today before the two chambers of the Parliament, Prime Minister Petre Roman assessed that Romania was now struggling with a "deep economic crisis, when all its industrial giants are at loggerhead with its resources". This stage, said the prime minister, requires at least a minimum of consensus, which has prompted the government to report on the progress of the reform and on its programme for the year running, before the legislative body a routine the executive intends to follow every year.

The structure and the implementation of the government's programme has been placed under the motto of "realistic pragmatism". In a few months only, progress has been made at a rapid pace: Private property in industry and agriculture has won legal recognition and guarantees;" "the nerve center" of the whole reform—i.e. price liberalization and privatisation with due social protection—was set in motion; the beginnings have been made for liberalization of wages and the first steps are being taken towards the convertibility of the national currency, the leu.

The government has to face a contradiction stemming from the requirement that the state should get involved in the economic affairs in order to overcome the crisis, while the logic of the transition to the market economy requires the states' disengagement from the concrete management of the economy. Under such circumstances, the role the state is expected to play is not a lesser one, but a greater one, but by different means: by economic-financial mechanisms and not by bureaucratic patterns.

At a general level, a contradiction has emerged from the fundamental opposition between the mechanisms provided for by the new economic legislation and the existing mechanisms, as well as from the new mechanisms' having to settle and operate in a society suffocated by conservative trends. This contradiction has generated new structural disequilibria which had to be compensated for by exhausting convertible currency reserves and forming an external debt,it has led to sagging investment and an excess of money supply with the population. At the same time, transition has entailed an inflation of the "underground economy", including the appearance of a drug market, a facet for which a special programme must be adopted.

The economic reform, concluded the prime minister, has mainly followed the legislative side, without having radically changed the managerial structures either at top level and at production level.

The prime minister quoted figures showing that in 1990 production continued to decline, while personal incomes continued to grow significantly and the living standard improved at the expense of the country's currency reserves. The government regrets having accepted resettlement of production rates in factories prior to having adopted an elastic incentive-based wages policy. This mistake conducted to a slow-down of working appetite, to maintaining global work responsibilities to the disadvantage of individual and personalized work.

The government's 1991 programme, said the prime minister, is based on the determination to stop the economic decline and, in parallel, to firmly back the technological up-dating, the only valid scenario apt to help us reach these targets is to speed up the creation of the new mechanisms. The next year's programme, worked out by the government and negotiated with the IMF, can be briefly termed as "programme of reform, adjustment and stabilization of the economy, based on social support and political engagement". Its social support relies on relative advantages, such as a minimum level of the foreign debt, an accumulation of fixed assets, the geographical location and certain domestic natural resources.

The minister then dwelt on the laws drafted or being drafted by the government. He quoted 90 bills initiated by the government of which 48 have been passed, all in correlation with the reform programme. "The successive instatement of these laws makes the whole legal framework patchy. The old legislative tissue is, after all, a cost of the reform." Speaking of the government's economic and financial programme for 1991, Prime Minister Roman stated its main targets as being: stopping the decline of the real GNP, controlling inflation and forming of net foreign currency reserves worth up to 0.7 billion dollars, for which purpose an austere financial policy will be maintained, flexible interest rates will be adopted and adequate income and exchange rate policies will be instituted.

Structural measures to render the economy more flexible and efficient will include the general liberalization of foreign trade; extended and generalized liberalization of prices; restoration of state enterprises to private ownership and their restructuring; the reform of the financial sector.

This year, the technological up-dating is planned to start. As a fundamental measure to this effect, a national group, named Genert and chaired by the president of the academy, has been set up to draw up an up-dating scheme. The group will resort to all creative forces in this country with the purpose of compiling a coherent chart of resources divided in the following classes: thermal and electrical power, crude oil, gas, chemistry, petrochemistry, transport, mining, metal working, telecommunication and informatics, scientific and technological research, also an energy conservation programme and an educational programme. The group will make projections for two time intervals: 1992-1995 and 1996-2005.

The total available resources formed of revenues accruing from the GNP, of the passive credit of the trade balance and of the incoming foreign capital as well as of a small part of the previous years' personal incomes will be apportioned in a ratio of 75.0 p.c. [percent] for the population's immediate consumption and 25.0 p.c. for gross capital build-up, so as the population's final consumption should rise by 10 p.c. over the 1989 level.

The government considers 1991 as an important year of the transition period for the fiscal sector. The estimated public debt is of approximately 37 billion lei (1.5 p.c. of the 1991 estimated GNP). As fiscal procedure, the system of profit transfers from state entreprises to the state budget has been replaced by a profit tax levied from all units, be they private or state-owned, with effect from 1 January 1991. The various funds enterprises were compelled to contribute to have been abolished, while the old salary fund global tax has been replaced by an individual salary tax, which does not mean a more severe fiscal exaction, but a more equitable distribution of public expenditures to all contributors.

The 1991 budget has allocated a substantially reduced share for investment, especially after having transferred most of the investment projects from budget to units themselves which, to serve the purpose, have been exempted from taxation on revenues spent on investment.

The government will subsidize directly only a limited number of products, those that form the "daily consumer's basket" of the most vulnerable social groups. Although many of the formerly state-owned enterprises that are going to be converted into commercial societies are expected to face considerable financial difficulties in 1991, the government does not intend to subsidize them, but will guide them, with help from the state administration, either to recovery or to bankruptcy. These budget spending reductions are meant to create availabilities for enhanced social protection funds.

The government intends to fast pass [as received] to a flexible interest rate structure and will rely mostly on the inter-bank money market adding to which are the extra pension fund and the insurance company as additional money suppliers, to set the interest rate for the economy as a whole.

Referring next to the question of prices and salaries, the prime minister said that the government approved the liberalization of the prices of basic consumer goods which remained unchanged over the first stage of the price reform. To partially offset the social costs of November 1990 and April 1991, handouts were considered for employees the basis of which is a projected (not past) inflation rate. Its size has been related to the changed prices of a consumer goods basket which takes up about 60 per cent of the average family budget.

In the sub-chapter on "Enterprise Reform" it is stressed among other things that even in the sectors in which the enterprises will remain state owned being turned into autonomous enterprises, the government reserves its right to lease part of them to private entrepreneurs and to put the management of autonomous units in touch with domestic or foreign private companies.

The national privatization agency is drafting a plan for the distribution of the shares yielded to it by commercial companies (30 per cent of the total) to all Romanian adult citizens, except those who take advantage of the land distribution scheme.

In the opinion of the Roman Cabinet the integration of the East and West European countries is not possible due to the gap separating them. That is why it is concerned over finding a solution to getting closer, in successive steps, to the goal of creating a truly European Common Market. This is the reason for which the possibility is studied to create a free trade zone in Central and Eastern Europe allowing, on the one hand, for a beneficial competition among comparable economic agents, and, on the other hand, for a general growth of the economic systems in the respective zone, for a progressive homogenization of the European market as a whole. A body meant to facilitate this would be the organization of international economic cooperation.

As a Danubian country, Romania is also concerned with the creation of a system of cooperation of the Danubian countries.

The varied natural resources, the great possibilities of developing industry, agriculture, trade and tourism make of Romania a market which can absorb very much and is willing to develop strong economic links across Europe. To attain this goal the government will rely first of all on the liberalization of trade and hard-currency exchange as well as on an exchange rate adapted to the market economy. It is in this context that falls the introduction, starting mid-1991, of a new customs code, with a smaller number of tariffs varying between ten and 30 per cent and depending on the type of products and their processing degree. The government will not resort to quantitative import restrictions.

In Romania the international hard currency market will become operational already this month and it is open to all economic agents. Except the payment of profits to non-residents hard currency is available for any kind of current transactions and transfers among participants' accounts through the agency of the inter bank market. Starting April 1991 natural persons will benefit from a certain access to hard currency transactions.

Given the distortions in the economy, the government has decided to introduce temporarily a dual exchange system with the official rate of exchange set by the National Bank and used to buy foreign currency that is not withheld as well as to sell foreign currency for a restricted list of imports (energy sources, iron ore and soybeans) as well as for certain deals of the central administration. The exchange market will operate so as to avoid any loss to Romania's National Bank. Any other deals will be channeled towards the inter bank market

where the exchange rate will be set by market forces. Likewise, Prime Minister Roman stressed, the government pursues a fast unification of this system.

The fluctuation of energy prices in the international market, just as the great import requirements, the prime minister emphasized, will make Romania's current foreign deficit in 1991 stand at 1.7 billion dollars.

Following the facilities granted, the inflow of direct foreign investment is estimated to be at least 100 million dollars in 1991.

The government intends to set a 3.5 billion ceiling to public contracted or guaranteed indebtedness ranging from one to 12 years, a separate ceiling of 2.5 billion dollars being set for credits falling due within one-to-five years.

The sub-chapter dwelling on "Changes in the Structure of the National Economy and Technological Renovation" shows that "for the present government the market economy is not an ultimate goal, the strategy of its reform being both a strategy of the transition 'to' a market economy and development 'through' a market economy.

The restructuring of the economy, this section of the report reads, is the most delicate part of the transition process since it sums up its unpopular aspects: the full or partial closure of production units, unemployment, price rise, a widespread feeling of insecurity and discomfort. This requires that the government sets its priorities as well as a proper pace, finds financial sources, especially abroad, that may correlate the change of economic structures with social security.

Among the aims of restructuring the prime minister mentioned the cutting down on raw materials consumption by adjusting industries to the available natural resources and modern technologies; the fast pay-off of investments; a fast supply of consumer goods for the home market through a greater stress on the light industry, agriculture, the service industry and the small industry; the complementarity in the world economy; the building of an economic structure in consonance, harmony and synchrony with the size of the country, with the size, temperament, culture and civilization of the population; the bringing of economic structures into an ecologically balanced system.

Another basic government target is to facilitate access to foreign credits. The priorities for which credits are negotiated with the World Bank are in this order: structural adjustment and how to meet its costs; personnel training, especially in management; development of a modern infrastructure; the development of agriculture; water development and conservancy, protection of the environment.

In the privatization bill the government will advance the distinction between the small and big privatization. The former will be achieved by directly selling small production units and shops to those concerned, and the latter by selling shares. To this end, the National Bank has been empowered to make preparations for the future stock exchange together with the Council for Reform.

The privatization law, Prime Minister Petre Roman stressed, is estimated to be submitted to Parliament at the end of March 1991.

In connection with the social security implied by the implementation of the reform, the prime minister insisted on the fundamental differentiation that must be made between the security ensured to the active, productive groups, and that ensured to the other groups which cannot, through their own efforts, to improve their standard of living. The protection granted to this last category should take the form of social security based on the principle of collective solidarity. The prime minister announced in that context that the government was working hard on the elaboration of the basic principles of social insurance. A system of handouts was set to partially protect this category from price rises, handouts derived from the same consumer goods and service basket used for employees. Over 2.4 billion lei are allotted in 1991 to social security as to half a billion lei in 1989, Prime Minister Petre Roman stressed.

In the final section of his report—final considerations on the reform government—the prime minister defended the executive against criticism, mentioning among other things that the slower pace of privatization was due to the concern for the existing social capital. The critical remarks against the government and the ministries, namely that the latter still manage the enterprises are true to a certain extent, the prime minsiter said, because the enterprises legally gaining independence have not yet broken with the old dogma of "the autonomy of the economy" inoculated over the past years of communism in Romania.

In conclusion Prime Minister Petre Roman said: the reform government must compulsorily traverse a desert under the merciless heat of criticism founded or not of lie and calumny, of demagogy and opportunism, lacking vital resources to maintain its own equilibrium... We must fight to take the economy out of the crisis and in the same good faith we say that maybe we should make room for another governmental team. What counts is the courage to face hardships, to do our sacred duty to the country.

UVR Officials View Ceontea's Resignation

AU2602145691 Bucharest ROMPRES in English 1224 GMT 26 Feb 91

[Text] Bucharest, ROMPRES, 26/2/1991—The Vatra Romaneasca Union [UVR] with national headquarters in Tirgu Mures has released a communique signed by Ioan Sabau, deputy chairman, and Vasile Tira, national secretary, which reads: In connection with Senator Radu Ceontea's resignation from the office of chairman of the

Vatra Romaneasca Union, we make known, at the request of numerous members and supporters of our union all over the country, that the decision made was a surprise to all those who appreciate the contribution made by Mr. Radu Ceontea, for the accuracy of the public attitude, in defense of the Romanian nation's genuine values. Referring to the reasons of his resignation, an extraordinary session of the Steering Committee was called, which will analyze the relations between the Vatra Romaneasca Union and the political formations.

Cornea Urges Solidarity With Railworkers

AU2602124991 Bucharest DREPTATEA in Romanian 20 Feb 91 p 3

["Protest" by Doina Cornea on behalf of Antitotalitarian Democratic Forum of Romania; place and date not given]

[Text] The Antitotalitarian Democratic Forum of Romania supports the Iasi regional railworkers strike, which began on 8 February 1991 and was joined by the Timisoara regional railworkers as a sign of solidarity.

We believe that there are grounds for the demands of the railworkers, bearing in mind that the origin of labor conflicts between the state and workers are the errors made by those in power during one year of governing.

The fact that those in power have made and continue to make discriminations—based on political criteria—in establishing wage categories (for instance by favoring the miners when establishing their wages for political purposes and to the detriment of other categories, which perform equally hard and dangerous work) fully entitles trade unions to formulate other demands of both an economic and political nature.

Today, those in power try through illegal methods to intimidate the railworkers by summoning them to court to threaten them with illegal procedures to be applied retroactively, to discredit them on television before the public by exaggerating the damage caused, and, at the same time, to fool them with an imaginary dialogue at Cotroceni Palace.

Because of the grave illegal acts committed throughout this year, Mr. Ion Iliescu has lost any ability to play a mediatory role.

We believe that our country has reached a decisive turning point.

What guarantee of honor can this regime headed by Mr. Iliescu, Barladeanu, Roman, Ursu, and Magureanu offer after one year of governing during which they demonstrated great political and especially moral instability?

For a whole year now this regime has done nothing but misinform the public on the radio and television, create feuds among people, pamper the guilty ones and yesterday's torch bearers by using them—under the pseudonym of the SRI [Romanian Intelligence Service]—as elements of disinformation, intimidation, and repression! Trade union workers do not give in to injustice!

Who can guarantee that tomorrow you will not be silenced by the same power through drastic and oppressive laws?

Workers, you are a force, do not be afraid! The power is in your united hands! Prove solidarity!

Only the unity of all can save us from communism! Do not give in!

The nation is threatened if this regime continues. We are called upon to join the Iasi and Timisoara strikers. All of us are interested in democratic social and political reforms that will ensure the separation of powers, pluralism, and a state of law.

We need clean people at the helm of the country who will ensure an atmosphere of trust among all our people and guarantee the observance of truth and justice under any circumstances!

For the Antitotalitarian Democratic Forum of Romania
Doina Cornea

Timisoara AC Protests Leadership's 'Arrogance'

AU2602130791 Bucharest ROMANIA LIBERA in Romanian 20 Feb 91 p 1

[Unattributed report: "Dialogue, Not Threat"]

[Text] The Timisoara Civic Alliance [AC] notices with astonishment that the current leadership shows lack of receptiveness to and lack of respect for the claims of a significant part of the railway workers in Romania. The abusive way in which Law No.15/1991 appeared, in complete contradiction with the democratic and parliamentary practice, and the urgent way in which the Supreme Court of Justice tried the case—thus proving the total submissiveness of the court of justice—demonstrates the dictatorial nature of the current leadership. Starting from all these serious political and economic facts, practiced by the leadership, the Civic Alliance vehemently protests against this arrogance and lack of respect for the Romanian people. The most appropriate way to solve conflicts is through dialogue and not through threats, terror, and violence.

PNL-AT's Patriciu on Government Program

AU2702140991 Bucharest TINERETUL LIBER in Romanian 22 Feb 91 pp 1,3

[Interview with Dinu Patriciu, executive secretary of the National Liberal Party—Young Wing (PNL-AT), by Mircea Florin Sandru; place and date not given: "The Government's Program is Cynical, Because it Carries Out the Reform By Pauperizing the People"]

[Text] [Sandru] Because you are a relatively recent political grouping, I would like to ask you whether you have managed to consolidate your regional organizational structures?

[Patriciu] Yes, we have organizations down to local level in 32 counties, and we have various initiative committees in the rest of the country. As a matter of fact, following last December's national convention in Sinaia, we clarified all issues concerning organizational structures at county-level. Regarding leadership structures, we decided that, until the next national convention, the party should be led by a steering committee consisting of seven members, who are also executive secretaries with absolutely equal rights, hence, by a collective leadership. We believe that the electorate and the people do not primarily require leaders and that the image of a party need not necessarily be linked to the name of a certain person; what is needed is a team. Therefore, we are setting up a team or people working in a united spirit, each one of us being "responsible" for his own field of activity. In the complicated circumstances of the country's current socioeconomic situation, we consider that we need teams, not leaders.

[Sandru] Still, there are occasions—be they only of a protocol nature—when the party must be represented by somebody. How do you proceed on such occasions?

[Patriciu] Indeed, we appointed several spokesmen for this group of seven: Mr. Executive Secretary Radu Boroianu, for the relations with the mass media; myself, for parliamentary affairs; and Mr. Calin Popescu Tariceanu, for foreign relations. This, however, does not create any differences in the decisionmaking process. As I said before, I do not believe that the primary requirement today is for personalities; what we need is competent and pragmatic teams, capable of providing solutions.

[Sandru] Teams that should not, however, remain anonymous.

[Patriciu] Obviously. As you can see, we are trying to be present in the mass media through rotation. All the more so as a Balkan custom has been entrenched in Romanian policy: The sword of calumny chops off any head that raises itself above the others. We are thus trying to avoid personal attacks, that we do not answer as a rule, unless they become very serious and are totally off target.

[Sandru] What is your group's alternative program of government?

[Patriciu] Of course, we have an alternative, which mainly aims at the government's economic program, but does not stop at that. We proceed from a different premise than that of the present executive—namely, that the crisis currently experienced by the country is of a socio-psychological, not economic nature; it is a crisis concerning the motivation for work. The measures stipulated by our program, on the basis of this premise aim at instilling motivation, a feeling of ownership, and incentives. Without concrete measures along these lines, we will never manage to stimulate and accelerate the process of reform, to stay ahead of our neighbors. If the program does not ensure enough speed, and it seems that it does not, we risk Romania becoming a reservoir of manpower. When I say that the government's program does not ensure enough speed, I am implicitly criticizing it for that. The program is also fairly incoherent: it does not apply the same speed in all spheres. It is also cynical, because it carries out the reform by pauperizing the people and by making the wage earners bear the burden of the cost of reform. Second, it mimics, because it attempts to repeat methods tried out by others. Reforms of the kind we are now experiencing were tried out by Poland, for instance, over a period of 10 years. We need a profound and structural reform.

[Sandru] Our readers following this interview would like to know specifically on what points you disagree with the Roman government?

[Patriciu] As of last December, we submitted a "Law on Privatization" for discussion to the Standing Bureau of the Deputies' Assembly. On the one hand, this law sets out from the "Cojocaru Plan," that is from the idea of turning people into owners of assets. It is very important to promote the idea of equal chances, the moment we introduce the spirit of competition. On the other hand, the law we suggest stipulates that part of the entire national wealth—that is, one-third of it—should be put up for sale to stimulate the economy.

These shares—two-thirds allotment and return of property and one-third sale—are not fixed, at the level of enterprises. We conceived and suggested a flexible system that allows these ratios to be flexible, depending on each enterprise's requirements for retechnologization, integration in the trade system, and so forth. The main difference between our program and the "Cojocaru program" is that we do not only envisage the strictly economic property, but also the land stock, with all its components, and the state housing stock. We consider it immoral that the dwellings that the people have more than paid up for through high rents paid out of their miserable wages, should be put up for sale.

[Sandru] You seem to be further to the left than the government party.

[Patriciu] It appears that a liberal economy can only make its start by ensuring equal chances to everyone, after which the liberal game is launched. Each one, depending on his personal capacity and competence level, will move farther or less far ahead, but the start must be equal for all, otherwise major social tensions will appear. The second aspect of our program refers to taxes. In this respect, we believe that the government has made a wrong start—that is, it imitates the complex tax systems existing in the advanced industrial countries, which have developed over time and have taxes on profit, income, gods turnover, value added tax, and so forth. We believe that in a poor country, with poor people, income taxes should be as low as possible, so

people are given incentives to work as much as possible; however, the government's tax curb stipulated by the law on income tax is a major political mistake: We were against it, we tried to amend it, but unfortunately we only got 90 votes in the Deputies' Assembly. We are convinced that it is a big mistake, which mainly indicates a fear of the private sector.

[Sandru] Why?

[Patriciu] The advantage of the private sector over the state sector is that it can pay higher wages. The state sector offers secure jobs; the private sector can pay larger wages. If these higher wages are heavily taxed, this can hamper the development of the private sector.

A third area of great concern for us, where we also launched a legislative initiative, is the territorial-administrative reform. We do not believe that a return to the abusively abolished counties is only proof of local patriotism, but rather it is an economic and social need, from every viewpoint. First, it deals the final blow to the current bureaucratic structures. Second, the traditional counties had become cultural, social, and economic hearths, defined by objective factors. A return to these structures only means incentives for local development.

[Sandru] A last question: I know that your party abstained from voting the Law on the Land Stock. Why?

[Patriciu] The law has a great merit—namely, that it returns the land to the peasants. At the same time, it is incoherent and incomplete, because it does not return to the peasants all that belongs to them anyway. By preserving the state agricultural enterprises—20 percent of the country's land stock—the most productive land remains in state ownership. The transformation of the state agricultural enterprises into commercial companies is a joke, because as long as the state is the owner, hence, a poor administrator, they will not function well. A second aspect is that the law does not resolve the problem of urban lands. Here we had our greatest objections. In the end, we reached a compromise, but an incomplete one: Only the non built-up land will be returned to its former owners, provided they are not affected by town planning projects. The fact that only a small part of the urban areas are in private ownership will cause corruption at the level of town halls and will lead to higher land prices, which in turn will leave their impact on building prices, thereby preventing the resolution of social housing problems in the near future.

Senate Passes 1991 State Administration Budget

AU2602175191 Bucharest ROMPRES in English 1705 GMT 26 Feb 91

[Text] Bucharest ROMPRES 26/2/1991—In its Tuesday afternoon session, the Senate debated the final text of the Draft Law of the State Central Administration Budget in 1991 which resulted from the mediation between parliament's specialized commissions. The law was passed unanimously, and is now to be advanced for promulgation to the president of Romania.

The president of the Senate, Alexandru Barladeanu, said that the second meeting of the constituent assembly to discuss the theses for writing Romania's Draft Constitution will take place tomorrow.

PNT-cd Senator Criticizes 'Vague' Draft Budget

AU2602104791 Bucharest DREPTATEA in Romanian 20 Feb 91 p 1

["The Position of the National Peasant Christian Democratic Party (PNT-cd) on the Draft Budget, Presented in the Senate by Academician Caius Iacob" on 19 February]

[Excerpts] Ladies and Gentlemen, Mr. President:

What we were presented with here for endorsement is not a budget in the proper sense of the word, but only a statement of budgetary intentions. Normally the budget must be one of the most rigorous instruments through which the Parliament controls the activity of the executive branch. But can one call this budget rigorous, when 18.3 percent of the expenditures—67.1 billion lei—do not have a precise destination? How can one call it anything but vague when it provides for a sure but undefinable deficit, whose impact will be felt for the next five years? [passage omitted]

The main reason why one cannot draw up a well substantiated budget is the price fluctuation that began with 1 November 1990. Who caused this fluctuation? The government. Who is asking for permission to independently decide how to use 18.3 percent of the budgetary incomes to mend this perturbation? Also the government. This is an original way of sanctioning the mistakes of the executive.

The moment the executive notes that, through hasty measures, it has brought the economy to a deadlock, it requires special powers. This is what the imprecision of the destination of 67.1 billion lei of expenditures amounts to—special powers. The government actually recognizes that, through mistakes made in its price policy, it has caused damages of 67.1 billion lei, for which it is now asking monetary compensation. Should we put such a sum of money at its discretionary disposal?

I submit that this money may not be distributed to various targets without the Parliament's preliminary consent. We can now approve the allocation of this money in principle, provided that, during 1991, the executive branch comes before the Parliament to ask for endorsement for any of the concrete destinations it foresees for this money. Only then can one justifiably endorse the planned budgetary deficit and the start of the state loan, through the offices of the National Bank. We do not see the point of a loan before knowing its exact destination. [passage omitted]

Government Decision Made on Deficit Recovery

AU2602151491 Bucharest ROMPRES in English 1429 GMT 26 Feb 91

[Text] Bucharest ROMPRES 26/2/1991—A government decision signed by Prime Minister Petre Roman, attempting to regulate a number of economic problems, commissions the Ministry of Finance, the National Bank, and commercial banks to appraise the activities of large industrial units that have scored significant deficits during the period ending 1 November 1990 and to work out, by 15 March, 1991, a recovery scheme. For the units having operated in deficit after 1 November 1990, a thorough analysis conducted by the competent ministries, the Ministry of Finance the commercial banks and the said units will decide whether or not they are still operational and a decision will be consequently made as to the appropriate means to support them financially or to the cease of their activities. The said analysis will start from the restructuring study drawn up by the units themselves and submitted by 30 March, 1991. Until the dates above are met, the National Bank and the commercial banks will examine and advise on whether and what domestic debts incurred by economic agents can be compensated for and will submit their proposals accordingly by 28 February, 1991.

The deficit of the foreign trade balance for the months of November and December, 1990 will be compensated for from the state budget only after checking the computation of export prices subsequent to 1 November 1990.

By 28 February, 1991, the Ministry of Finance will apportion from the budget the subsidies for the deliveries made in November and December 1990; for deliveries to be made up to the second price liberalisation stage, subsidies for every month will be drawn from the budget in the second third of the subsequent month.

The government decision also stipulates that clearing and barter operations dealing with imports that are entered in the country's balance sheet entitle the economic agent to an up to 50 percent quota of the convertible currencies accruing to them.

Commercial societies and public corporations whose export and net currency revenues hold a significant part of their total sales production and to whom restructuring and technological up-dating pose no special problems, shall submit, by 30 March, 1991, restructuring and technological updating surveys based on economic calculus proving their viability. Starting from these surveys and on advice from the ministries concerned, the Ministry of Finance will counsel, by 30 June, 1991, the scheme of support for each case and, by 15 March, 1991, will draft a law on the management of restructuring funds.

The government's decision further provides that the National Bank of Romania shall submit a draft resolution of the executive for the set-up of an "Eximbank" or "COFACE"-type bank, devised to cover the operations deriving from inter-governmental agreements.

Nastase, USSR's Bessmertnykh Meet in Budapest

AU2502204191 Bucharest ROMPRES in English 1845 GMT 25 Feb 91

[Text] Budapest ROMPRES, 25/2/1991—A meeting took place in Budapest on Monday between the ministers of foreign affairs of Romania and the Soviet Union, Adrian Nastase and Aleksandr Bessmertnykh. Talks tackled aspects of the relations between the two countries.

Nastase on End of Cold War, Openness to Europe

AU2602195691 Bucharest ROMPRES in English 1830 GMT 26 Feb 91

[Text] Bucharest ROMPRES 26/2/1991—We have lived an historic moment in Budapest. In a way it encodes the present European realities. On the one hand, the end of the cold war, and on the other hand, an openness to a Europe whose countries no longer look upon one another as opponents, Romanian Foreign Minister Adrian Nastase said after the document on the dissolution of the Warsaw Treaty military structures was signed. "Clearly" said the Romanian minister who compared the Warsaw Treaty with a ship leaving a furrow behind, after the military dimension has gone, the political one remains, but it will not last beyond the end of the year or the beginning of the next, he said.

Barladeanu, Martian Meet Council of Europe Leader

AU2602212091 Bucharest ROMPRES in English 2030 GMT 26 Feb 91

[Text] Bucharest ROMPRES 26/2/1991—The president of the Parliamentary Assembly of the Council of Europe, Anders Bjorck, met Tuesday the Romanian Senate's President Alexandru Barladeanu and the Speaker of the Assembly of Deputies Dan Martian who assessed Anders Bjorck's official visit as a very important moment in the relations between Romania and the Council of Europe. The heads of the two chambers of parliament thanked Anders Bjorck, the Parliamentary Assembly of the Council of Europe for their having supported Romania to get special guest status. Romania's attendance of the work of the Parliamentary Assembly of the Council of Europe was shown to be beneficial for both sides. Romania, it was shown, supports a parliamentary dimension of the CSCE process. In context the Romanian parliamentarians referred to a number of problems confronting Romania in its democratisation process.

The president of the parliamentary assembly who said the relations between Romania and the Council of Europe should develop further outlined that the vast experience of the Parliamentary Assembly of the Council of Europe was profitable to Romania, especially in

human rights and freedoms and ethnic minorities, but then also in the sphere of culture and protection of the environment.

Showing he was pleased with Romania's support for a parliamentary dimension of the Council of Europe, Mr. Bjorck said he was pleased that Romania was now given the opportunity to enjoy equal treatment with the Western democracies.

Ambassador Chebeleu Queried; Criticizes Hungary

AU2602183191 Bucharest TINERETUL LIBER in Romanian 21 Feb 91 p 4

[Interview with Ambassador Traian Chebeleu, Foreign Ministry, spokesman by Aurel Perva: "We View the Rhetorics of the Hungarian Ministry of Foreign Affairs With the Detachment They Deserve"]

[Text] [Perva] At the meeting on Monday, 18 February 1991, of the UN Human Rights Commission, Hungarian Foreign Affairs Minister Geza Jeszenszky, made a speech in which he referred to human rights violations in various parts of the world, naming Romania among other countries. According to news agency reports, Mr. Geza Jeszenszky said that the time has not yet come for human rights in Romania to be viewed as improved. He continued by emphasizing that, as the special report on the Human Rights Commission for Romania had stressed, human rights violations allegedly continued in our country.

Mr. Geza Jeszenszky's speech raises a number of questions for us, and I would like to begin by asking: Why do you think that Mr. Geza Jeszenszky raised all these problems at a time when recent decisions adopted by a number of international forums in connection with Romania—I am referring to the Council of Europe, the EEC, the Group of the 24, the North Atlantic Assembly—convey a very clear message? These decisions could not have been adopted if the international community had not recognized the undeniable progress on the road to democracy, political pluralism, and the observance of human rights in Romania.

[Chebeleu] Probably for the same reason the Hungarian parliamentarians were among the few who abstained in the Political Commission of the Council of Europe when Romania was to be granted the status of "special guest." It was for political reasons that have nothing in common with the spirit of the problem as such.

If Mr. Geza Jeszenszky says that, based on a special report on Romania, human rights in our country continue to be violated then I doubt whether he has read that report. The report does not mention such a thing. This report is much more pronounced; it points out that the observance of human rights in Romania has considerably improved and that this process is far from being finalized. This is completely different from what Mr. Jeszenszky says, and I personally believe that such an affirmation holds true not only for Romania, but also for Hungary and other countries that have relinquished totalitarian communist regimes.

Mr. Geza Jeszenszky spoke very beautifully about Hungary's "political, legislative, and moral rights" and about its "responsibility" and "obligation" to protect human rights in general. He hardly said anything about what has actually been achieved in Hungary regarding human rights and the rights of minorities in that country. Instead he spoke emphatically about other countries, about the condemnation of the Iraqi aggression against Kuwait, and about the decision of Hungary's National Assembly in connection with the events in the Baltic countries, as MTI reports In dealing with other countries, we expected Mr. Geza Jeszenszky to inform the UN Human Rights Commission about the recently uncovered deal which caused excitement in all neighboring countries, including Romania. I am referring to the weapons sale to political forces in Yugoslavia, sales that were facilitated by Hungarian Government authorities—a measure with destabilizing effects on neighboring countries. No word was said about all this, however, and about a declared policy of good neighborliness coupled by an underground policy with other targets in mind. One would have expected Mr. Geza Jeszenszky to clearly affirm the adherence of the government in Budapest to the principles of interstate relations agreed upon in the CSCE documents. He did not do so, although it would have been suitable. We hope he will do so soon.

[Perva] Among the issues that Mr. Geza Jeszenszki mentioned as not solved in Romania was the access of minorities to education in their mother tongue, especially regarding higher education; instigation to violence with loss of human lives; and the suppression of demonstrations by force. All this, he emphasized, makes it necessary for the international community to continue to watch over the situation of human rights in Romania. What do you think of this statement of Hungary's foreign minister?

[Chebeleu] First, I would like to mention the fact that the Romanian Foreign Minister Adrian Nastase, who took the floor in the previous meeting of the Commission, that is on 15 February 1991, emphasized that it was useful to continue the mission of the special report on Romania; and this obviously for completely different reasons than those mentioned by Mr. Geza Jeszenszky. The fact that Mr. Geza Jeszenszky took the floor before the Commission almost immediately after Mr. Adrian Nastase probably was a handicap.

We who are living in Romania realize, for instance, that the allegations about the rights of people belonging to the Hungarian minority in Romania lack any grounds. Minister Adrian Nastase presented facts and data on the human rights enjoyed by minorities in Romania. Apart from the text presented by the minister, the participants also received a documentary on facts linked to measures taken by Romania to ensure the observance and free

exercise of human rights, including the rights of ethnic minorities. Mr. Geza Jeszenszky probably was not informed of what had been presented by the Romanian minister and did not have the time to read into the documentary in question. In fact this is the difference of approaching things between the Romanian foreign minister and the Hungarian one. We present facts, they present words.

[Perva] I take it that you do not pay particular attention to the speech of the Hungarian foreign minister at the Commission for Human Rights. You seem to regard that speech as an exercise in rhetoric.

[Chebeleu] Correct. It rather seems like a routine propaganda exercise. We are dealing with much more serious problems in Romanian-Hungarian relations. The Romanian minister of education and science was recently there; he finalized a protocol of cooperation in relevant fields with his Hungarian counterpart. On 15 February 1991, the under secretary of state of the Ministry of Foreign Affairs, Mr. Adrian Dohotaru, signed an agreement in Budapest on opening a Romanian House of Culture in Budapest and a Hungarian House of Culture in Bucharest. Summit consultations between experts will begin in Budapest today with a view to concluding an agreement on the application of the "open skies" regime throughout the territories of the two countries. Consultations will also begin today in Bucharest between experts of the ministries of foreign affairs on issues linked to the presence of Romanian citizens in Hungary and of Hungarian citizens in Romania.

We hope that through a pragmatic approach of issues linked to cooperation between the two countries we will succeed to establish good-neighborly relations between Romania and Hungary. We view the rhetorics like those Mr. Geza Jeszenszky resorted to with the detachment they deserve.

* Effect of Gulf Crisis on Energy Supply

91BA0274A Bucharest AZI in Romanian 30 Jan 91 p 3

[Interview with Valentin Ionita, secretary of state at the Department for Chemical and Petrochemical Industry of the Ministry of Resources and Industry, by Cristina Petre; place and date not given]

[Text] [Petre] Mr. State Secretary, as we know, the basic "foodstuff" of the chemical and petrochemical industry is natural gas and crude oil, on which the entire chain of production processes relies. In this light I would like to begin by asking you: What specific consequences does the current Gulf crisis have on us?

[Ionita] We have been doubly affected by the Gulf crisis: On the one hand because Iraq stopped oil deliveries for its $1.8 billion debt to us, and secondly because of higher oil prices.

Romania is an oil producer but also a big importer: Approximately two thirds of the oil we refine comes from outside. All the crude oil required to fuel power plants comes from both domestic and imported oil.

In 1990, for example, we processed about seven million tons crude less than in 1989 and the drop in that amount of crude oil inevitably affected the entire balance sheet.

[Petre] How much oil did we import last year? How much did we produce locally? What percentage of the necessary quantity do these volumes make up?

[Ionita] In the given conditions and taking into account various considerations, such as the international price hikes and our payment capabilities, optimal economic activities would have required approximately 25-28 million tons, although we have the capacity to process up to 34 million tons.

In 1990 we imported 15.9 million tons and produced 7.8 million tons locally.

However, now we're having special difficulties of course in providing natural gas not only for the chemical and petrochemical industry but also for all consumers in the country. This is due to the fact that the volume of natural gas provided by our Soviet partner dropped from 24 million normal cubic meters to half. Moreover, the situation is also worsening because of the natural decline in natural gas in Romania—by 1.5-2 billion normal cubic meters yearly. You realize that the combination of these two factors considerably affected the production of all industrial units in the country, and the chemical and petrochemical industries were no exception.

[Petre] In view of the fact that any refinery, as any chemical plant or installation, operates economically only when it works at full capacity, what measures have been planned by your department to improve the situation in these conditions?

[Ionita] We considered continuing work only at the most economical units that provide the most useful products to domestic consumers as well as items that sell better at export.

Many of our refineries are equipped with everything required for processing valuable by-products, but that does not take care of the entire problem of energy consumption, which is higher than at refineries in countries specializing in this field. In this area we plan to initiate retooling actions in the future.

In the refinery sector we have already begun taking some measures: As of next month we will proceed with the so-called "processing" [last word in English] operation, whereby we will process crude oil furnished by foreign firms on their account. In other words, we will be providing a service (first at the Pitesti Petrochemical Combine) for which we will be paid per ton of processed crude oil. This presents a double advantage for us: On the one hand the installation will be working at full capacity—and thus in better economic conditions—and secondly we will be able to directly receive from our customer a number of products vital to us at the

moment, products derived from the process of crude oil processing. For example, we can purchase crude oil at market price of course but without the additional transport fees. The same can be done with various natural gas and aromatic products obtained that are indispensable to us.

These measures may partly attenuate the difficulties we are currently encountering. Because at the moment, when it comes to procuring raw materials, everything is considered from the viewpoint of the hard currency required. In other words, we need loans. For the time being our petrochemical industry is not exporting anything and this situation will continue until domestic demand is entirely satisfied.

[Petre] The crisis concerning products supplied by the chemical and petrochemical industry was and continues to be very acute. There are many shortages now, too. There are no detergents, tires, laquers and paints, photography materials, plastic items, and getting a container of cooking gas has become a real adventure... What percentage of the required domestic supplies were provided in the past year?

[Ionita] As I was saying, the results obtained in the chemical industry are essentially tied to the volumes of methane gas, electrical power, and crude oil available, those being the basic raw materials. For example, rubber production depends on crude processing because the CI [expansion unknown] fraction derived from the process is an indispensable raw material. As long as the refineries were not able to work at full capacity, the rubber production dropped, too. The same can be said about cooking gas, which is also derived from crude oil processing, and was thus obtained in smaller quantities. Synthetic materials, too, are derived from the benzene and gas obtained in the refinery sector. Synthetic fibers and yarns cannot be supplied in sufficient quantities unless we have sufficient methane gas. For tires, aside from the rubber shortage, we also lacked a number of materials that need to be imported; for acrylic yarns and fibers we had only 51 percent of the chemical pulp required because of a multitude of technological and equipment problems...

Even in the difficult conditions in which we were forced to work in 1990, from a value viewpoint market deliveries of many items were ensured in far higher proportion than in 1989. For example: 103 percent caustic soda; 105 percent soap; 103 percent cosmetics (altogether); 341 percent polyethylene sheets; 297 percent color photo paper; 172 percent black and white paper; 107 percent photo film; 370 percent chemical fertilizer; 229 percent benzene; 243 percent motor oil; 150 percent petrols; 112 percent liquefied (cooking) gas, etc. But we failed to meet demand for detergents (79 percent), laquers and paints (73 percent), toothpaste (80 percent), tires (88 percent)...

[Petre] Throughout the country various capacities were closed down while others reduced their activities for various reasons. Does this not have a negative impact on overall chemical production?

[Ionita] We sought to give up only unprofitable installations that presented no chance of becoming profitable because of obsolete technologies and unsatisfactory equipment. Some 18 installations have already been shut down, seven of them for lack of a market and exaggerated energy consumption. In some cases the products that were of interest to the economy were taken over by other domestic installations that were not working at the desirable capacity for lack of raw materials and that are not operating in better economic conditions.

[Petre] The chemical industry is a major pollutant. In Suceava, Giurgiu, and Copsa Mica there have been cases of work stoppage because of ecological considerations. Has anything been done to reopen those capacities in better environmental protection conditions?

[Ionita] For years on end we had no appropriate policy regarding pollution. Installations were opened before the environment protection aspect was completed. Consequently, actions are currently underway throughout the country to amend the technologies of all the installations that were a source of pollution. Some have been reopened in very good conditions. Technological updating operations are still underway in Suceava and the plant's production has for the time being been taken over by similar installations. Giurgiu is now problem-free. After the work done the degree of air pollution was measured—at our invitation—by a group of representatives of the UN Ecological Organization. The plant in Copsa Mica was shut down completely and, after repairs and upgrading, the level of carbon black in the air has dropped below international standards. We imported a number of filter bags to stop the carbon black emmited in the air and we are now negotiating with a foreign company for the establishment of a joint association that will ensure the production of that material at the highest technological level.

[Petre] Mr. State Secretary, as of last November the most spectacular price hikes were recorded in the chemical industry. What can you tell us about current price levels?

[Ionita] The chemical industry has been making one of the greatest efforts to preclude chain price hikes, in view of the fact that oil prices increased 3.5 times over. Some of measures included: turnover tax exemptions for most products used as raw materials in both the chemical and petrochemical industry sector and in other processing branches; lowering the profitability quotas applied by various economic factors to cover up for shortcomings and inadequate work; establishing a maximum 2.1 percent index for products earmarked for chemical processing which serve to provide products necessary in other sectors of our industry. In this manner we finally managed to bring about a reasonable price increase. To convince you I will tell you that initially [the price of] refinery and chemical process gases quadrupled, whereas the present price is only 2.15 times higher for the former

and 1.6 times higher for the latter. The price of tires, which was 530 lei is now 930 lei, which means that the increase was even smaller.

[Petre] What can you tell us about the recent explosions at several plants in the country?

[Ionita] We presented the statistical situation to the government, stating that the number of accidents recorded in 1990 was lower than in previous years. Except that previously those were taboo subjects. The investigations carried out showed that the major cause for those accidents was a high degree of wear and tear on installations and equipment.

[Petre] In view of the fact that activities were pared down in the chemical and petrochemical industry, what is currently the work force situation?

[Ionita] Apprixmately 40,000 people have been affected by cuts in activities, but in our sector this situation is temporary. We are convinced that the situation will improve as of March. Beginning in spring we will have available larger volumes of methane gas for processing, while internal consumption will drop. At the same time, capital repairs are underway on all the installations temporarily shut down and that will ensure continual operation as soon as work resumes. We maintain that the situation will change for the better in a few months time.

DELO Carries Slovene Division Resolution

AU2602151791 Ljubljana DELO in Slovene 21 Feb 91 p 3

[Resolution of the Assembly of the Republic of Slovenia on the proposal on the consentaneous division [razdruzitev] of the SFRY]

[Text] Ljubljana, 20 Feb—At their joint session, all chambers of the Slovene Assembly unanimously adopted the resolution on division which the Slovene Assembly sends to all republics and to the attention of the SFRY Assembly.

I.

On the basis of the permanent and inalienable right of the Slovene people to self-determination, which is one of the basic principles of international law, and on the basis of valid constitutional provisions of the Republic of Slovenia and the SFRY, a plebiscite was carried out in the Republic of Slovenia on 23 December 1990 to decide whether the Republic of Slovenia should become an autonomous and independent state that will no longer be part of the federal state of the SFRY.

By voting at the plebiscite, the citizens of the Republic of Slovenia legally expressed their political will that the Republic of Slovenia become a sovereign state, which would enjoy all actual powers on its territory and will be subject [subjekt] to international law in the full meaning of the term.

The plebiscitary decision obligates the Assembly of the Republic of Slovenia and other state organs of the Republic of Slovenia, to adopt constitutional and other acts and measures needed by the Republic of Slovenia to be able to take over the realization of its sovereign rights that it had transferred to the SFRY organs and to do so within six months from the day the decision was proclaimed. The decision made at the plebiscite also obligates the Assembly of the Republic of Slovenia to begin negotiations about the legal succession of the SFRY and the future establishment of mutual relations on the basis of principles of international law.

II.

The Assembly of the Republic of Slovenia sends the Assembly of the Socialist Republic of Bosnia-Hercegovina, the Assembly of the Socialist Republic of Montenegro, the Assembly of the Republic of Croatia, the Assembly of the Socialist Republic of Macedonia, and the Assembly of the Republic of Serbia, the following proposal on consentaneous division of the SFRY:

1. Through the agreement of the republics, the SFRY will divide into two or more sovereign and independent states. The new states that are created after the division are sovereign and have all powers each on their own territory. With the act of division, they will mutually respect each other's full subjectivity according to international law.

In conformity with the CSCE Final Act, the new states will recognize all joint borders, as well as the borders of all countries in Europe, as inviolable.

The new states will mutually recognize the territorial integrity of every one of the states. They will refrain from activities which are not in conformity with the aims and principles of the UN Charter, and particularly will do nothing that would be to the detriment of territorial integrity, political independence, or unity of any state. They will particularly refrain from any kind of activity which would represent threat with force or use of force.

2. The republics will carry out the process of division gradually, consentaneously, and within a reasonable period of time. All questions concerning legal inheritance (succession), and other issues concerning division, will be solved in conformity with the valid rules of international law, in particular those which are contained in 1969 Vienna Convention on the Law of Treaties, 1978 Vienna Convention on the Succession of States in Respect to Treaties, and 1983 Vienna Convention on the Succession of States in Respect of State Property, Archives, and Debts.

The process of division will be carried out in such a way so that legitimate interests of the new states and their present joint institutions, or the interests of third states and the international community would not be affected. Possible mutual disputes will be solved in a peaceful way, so that they would not endanger international peace, security, and justice. They will try to arrive at just solutions based of the principle of equality of parties in a dispute, with goodwill, in the spirit of cooperation, and on the basis of international law.

3. The new states will advocate permanent and institutionalized forms of cooperation including the establishment of mutual relations in a possible Yugoslav confederate or economic communities, or some other appropriate links to the benefit of their peoples, that is, citizens. By developing equal cooperation, they will endeavor to further mutual understanding and confidence, friendly and good-neighborly relations, international peace, security, and justice. They will also strive to increase their people's wealth by developing cooperation. On that basis, they will develop permanent forms of economic, cultural, and scientific cooperation, and will offer each other support in joining European and world forms of interstate cooperation and links.

III.

The Republic of Slovenia will be formed as an autonomous, sovereign, and independent state.

The state borders of the new state, the Republic of Slovenia, are the internationally recognized state borders of the present SFRY with the Republic of Austria, the Republic of Italy, and the Republic of Hungary, as well as the border between the Republic of Slovenia and the Republic of Croatia within the present SFRY.

IV.

The Assembly of the Republic of Slovenia informs the Assembly of the SFRY that with this resolution the division of the SFRY into two or more autonomous and independent states begins.

The republics will agree which present functions of the federation will still be implemented jointly to a minimum extent during the process of division.

Daily Carries Text of Slovene Amendment 99

AU2602115191 Ljubljana NEODVISNI DNEVNIK in Slovene 22 Feb 91 p 4

[Text of Constitutional Amendment 99 to the Slovene Constitution adopted and promulgated at the session of the Slovene Assembly on 20 February]

[Text] **Constitutional Amendment XCIX (99) to the Slovene Constitution**

1. Citizens of the Republic of Slovenia decide directly and through their representatives to the Slovene Assembly on regulating relations in the Republic of Slovenia and relations of the Republic of Slovenia with other states and international organizations.

The Slovene Assembly regulates independently, through laws, all relations that are of common importance for all citizens of the Republic of Slovenia, their organizations, and communities.

The Republic of Slovenia regulates relations with other states and international organizations in conformity with international law and—being one of the legal successors of the SFRY—also in conformity with international agreements reached by the SFRY.

2. All provisions of the Slovene Constitution that had transferred the realization of sovereign rights of the Republic of Slovenia to the services of the SFRY, as well as the provisions that regulate the position of the Republic of Slovenia in the SFRY and relations resulting from that position are abolished.

3. The provisions of the Republican Constitution that establish a maximum on landholding for cultivated land and forests, as well as provisions that disallow ownership of land used for development in towns and urban settlements are abolished. The transformation of social property into public and other forms of property, as well as the division of property will be regulated by law.

4. Until the Slovene Assembly decides otherwise, the Republic of Slovenia will regulate its relations with other republics in the SFRY and the services of the SFRY within the framework of the regulations used in the Republic of Slovenia in accordance with Amendment XCVI to the Constitution of the Republic of Slovenia.

5. The Executive Council of the Slovene Assembly will stipulate with its own regulations which regulations issued by federal services for the implementation of federal laws are not valid in the Republic of Slovenia.

This section amends Section 2 of Amendment XCVI.

Croatian Muslim Party Wants Autonomous Bosnia

LD2602194691 Belgrade TANJUG Domestic Service in Serbo-Croatian 0809 GMT 26 Feb 91

[Text] Zagreb, 26 Feb (TANJUG)—We do not want and we do not accept the entry of Bosnia-Hercegovina into any form of federation. This is how a detailed statement by the Croatian Muslim Democratic party [Hrvatska Muslimanska Demokratska Partija—HMDS] from Zagreb begins. This is now the third Muslim party, after the Croatian branch of the Party of Democratic Action [Stranka Demokratske Akcije—SDA] and the Bosnian Democratic party [Bosanska Demokratska Partija], in Croatia supporting the draft declaration on the sovereignty of Bosnia-Hercegovina.

"We favor an autonomous [samostalan] Bosnia-Hercegovina at all levels, the HMDS concludes, and also favor a road toward Europe together with Croatia and Slovenia." The HMDS is also heralding a drive to collect signatures in Zagreb's Ban Jelacic Square in support of the sovereignty of Bosnia-Hercegovina.

Gligorov on Macedonia's Stand on Future Setup

AU2602142191 Belgrade BORBA in Serbo-Croatian 15 Feb 91 pp 1, 5

[Report on interview with Kiro Gligorov, president of the Socialist Republic of Macedonia, by Dragan Nikolic; place and date not given: "We Should Not Destroy Yugoslavia At Any Price"]

[Excerpts] I believe we can find a basis for living together that is acceptable to all of us. However, I do not think this will be easy. This will require prolonged talks and negotiations. The most important thing at the beginning is to designate a set of issues, at least some issues, and to start talking about them specifically and in a well argued way. We could perhaps set up working groups that would shed light on some issues or provide a basis for talks and agreements in the presidency. The incessant general confrontations between opposing views, often even about procedural matters, during which we never arrive at the substance of the future relations, are most futile. When we present platforms, even if they are different platforms, and see which issues need to be discussed, this will be a major step forward. After all, even if we have to dissociate from one another, as this is now said, we still have to discuss various issues imposed by our common life. I am convinced that reason will start to prevail and that our interests will be seen in a more realistic light. Regardless of the possible solutions, even the worst solutions, we will remain neighbors, we will have to live together. There are numerous personal, cultural, and economic ties, and they cannot be written off. The worst

thing would be if we cut off the connective tissue that has been created for decades, and in some cases for centuries. If during the talks we start talking about the substance of our future relations, and I think that we will, then I see some chances for results—this was stated by Kiro Gligorov, president of the Socialist Republic of Macedonia, at the beginning of his interview to BORBA.

[Nikolic] Your proposal to stop talks at the SFRY Presidency session held before the last one, because Croatia and then Slovenia were not present, was not received well in some communes.

[Gligorov] My motive was very simple. Yugoslavia is made up of six republics. The topic of discussion was the future of Yugoslavia. Yugoslavia's future must be discussed by all the members of the community if we want to preserve Yugoslavia, if we want it to acquire a new physiognomy. Therefore, a discussion without one member, actually without two members, could only make things worse, not better. In addition, such a discussion would not be legitimate. This would in fact be a talk between four members and would not be binding for all. [passage omitted]

[Nikolic] Some people think an agreement cannot be reached because "Serbia's Bolshevism" and "Croatia's and Slovenia's democracy" do not go together at all.

[Gligorov] Differences certainly exist, but they do not only boil down to how much democracy there is in different republics. There are many other circumstances that should be taken into account. When we talk about different situations in different republics, we cannot proceed from whether somebody likes the situation in other republics or not, whether he likes the leadership there or not. Democratic processes have only started and will inevitably develop further. Therefore, if there is more democracy in one republic than in another, even according to our subjective criteria, this should only be understood in the context of a democratic process not being able, because of different circumstances, to develop everywhere equally. However, this process will inevitably lead toward Yugoslavia, if it is preserved, being a democratic community. [passage omitted]

[Nikolic] Everybody allegedly fears the so-called Serbian hegemonism. In some places it is thought that this hegemonism represents an aggravating circumstance in the talks.

[Gligorov] All hegemonism, political or economic, should in the present-day world, particularly within one community, be a thing of the past. After all, we must not judge everything on the basis of past experiences. We must look forward. As we can see, the trend in Europe, which is building its future on integration, is to block every kind of hegemonism, whether it has historic roots, or whether it is a result of current circumstances and new ambitions. Hegemonism is an anti-historical phenomenon. All attempts so far to impose hegemony, some of which were very bloody, have failed. [passage omitted]

[Nikolic] What kind of Yugoslavia is Macedonia interested in?

[Gligorov] Macedonia is interested in preserving Yugoslavia as one country in which all its republics would have an equal status, which would ensure equal conditions for living together. What is, however, not acceptable for Macedonia is to live in a reduced federation, because we in Yugoslavia have had a balance of interests and relations for some time. A different solution would be understood in Macedonia, and, I am afraid, around us, in a different way. Therefore, our interest is to preserve Yugoslavia as one country and all our efforts will be directed that way.

Opposes 'Partial' Federation

AU2602131391 Belgrade BORBA in Serbo-Croatian 25 Feb 91 p 2

[TANJUG report: "We Do not Want the Remainder of the Federation"]

[Excerpt] Skopje, February [dateline as published]—Macedonia is in favor of a community of sovereign Yugoslav republics and against being a part of the remainder of some kind of federation, because this would change many things in present relations, in the balance that somehow exists in Yugoslavia, and would raise many questions and uncertainties. This was stated by Macedonian President Kiro Gligorov who was commenting on the Sarajevo talks in a long interview with Macedonian radio. "Macedonia holds the view that, if all this cannot be achieved, if we cannot reach an agreement on the Yugoslav community, and if the result of this is Slovenia's and Croatia's dissociation and, in the worst case, separation, and if on the other side Serbia and Montenegro create a federation, this would be unacceptable for us. This would be unacceptable because, first, the federation would be partial [delimican]. Second, it would not recognize the sovereignty of our republic, and third, this would require new borders on which the people in that federation would decide. We think that the present borders of Macedonia are not alterable without the consent of the people and we are not prepared to change the borders at our expense. Finally, our view is: Let us discuss, before the adoption of such crucial decisions, the substance of this community, and let us gradually reestablish trust and strengthen economic, political, and other interests." [passage omitted]

Macedonian Deputies Reject Secession Resolution

LD2602190191 Belgrade TANJUG in English 1751 GMT 25 Feb 91

[Text] Skopje, February 25 (TANJUG)—Macedonian parliament deputies today rejected a proposal to adopt a resolution on the secession of this republic from Yugoslavia, which was proposed by the biggest national party of Macedonians.

Deputies of this party, the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity, proposed that parliament adopt a resolution on the dissociation of Macedonia, as the parliaments of the republics of Slovenia and Croatia have already done.

The party backed the proposal by pointing out the need for Macedonia to [word indistinct] a more favorable position in negotiations between the six Yugoslav republics about the future system of the country and in the struggle to [word indistinct] by the world as a sovereign state.

The draft of the proposed resolution was rejected with a vote of 115 against 54. Those who voted for the proposal were mostly deputies who belong to this party and the Party for Democratic Prosperity which rallies ethnic Albanians living in the republic.

Belgrade Daily on Albanian Secessionists' Plans

LD2602143491 Belgrade TANJUG in English 1117 GMT 26 Feb 91

[Text] Belgrade, Feb 26 (TANJUG)—The Belgrade daily POLITIKA EKSPRES on Tuesday [26 February] writes that the leaders of ethnic Albanians in the Yugoslav Province of Kosovo told officials in Tirana recently that "the time had come for the fulfillment of century-long aspirations for the unification of all Albanians worldwide".

"It is an open secret that Albanian secessionists will organize clandestine elections in Kosovo and western Macedonia on the same day when elections are held in Albania", the paper writes, noting that they would then "form greater Albania".

POLITIKA EKSPRES writes that "the secessionist leaders of ethnic Albanians in Kosovo are holding stepped up consultations on the forming of a single parliament in Tirana, whose members would also be representatives of Kovoso and western parts of the Yugoslav republic of Macedonia". Ethnic Albanians are the majority population in these parts of Yugoslavia.

The article in POLITIKA EKSPRES claims that the motive for last week's four-day visit to Tirana of the leader of the strongest party of ethnic Albanians in Kosovo, the Democratic Alliance of Kosovo, Ibrahim Rugova, was the realization of the "secessionist plan to break the Republic of Serbia", of which Kosovo is a part.

Rugova "appealed to Albanian opposition parties to refrain from actions which would lead to bloodshed" because that would be disastrous to ethnic Albanians in Kosovo, POLITIKA EKSPRES writes.